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SOVIET UNION ECONOMIC AFFAIRS

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IMPROVED COSTING METHODS ESSENTIAL TO PRICE REFORM

Moscow FINANSY SSSR in Russian No 6, Jun 87 pp 30-36

[Article by V.A. Yefremov, sector chief in the Scientific Research Economics Institute of USSR Gosplan, doctor of economic sciences: "Improving the System of Keeping Records of Costs in the Economy"]

[Text] The Policy Report of the CPSU Central Committee to the 27th CPSU Congress noted: "Prices are called upon to become an active instrument of economic and social policy. There will be a planned restructuring of the price system as a single body in the interest of setting up effective cost accounting (khozraschet)...." The central economic departments are already starting to frame a scientific conception for improvement of the price system. The stage of wholesale price revision will undoubtedly be the most important part of its comprehensive restructuring, since these prices are the base on which all other types of prices are built. But the upcoming revision will meet the goals which have been set--furnishing the necessary organizing principles in the intensification of production, in increasing production efficiency, in tightening the economy regime and thrift in the economy--only if the working out of prices is based on a well-adjusted system of planning, recordkeeping, and costing, on a reliable picture of the formation of production costs reflecting real processes taking place in the economy. At present we have to say that it is the component of the economic mechanism related to reporting and planning costs in the economy that is not functioning as well as it might be.

The reliability of cost data, which are the basis for the wholesale prices in effect, is provoking warranted doubts, since there is evidence that expenditures which in reality are elements of net income have been included in production cost. And conversely, items which in the economic sense should be classified as elements of production costs proper and recorded as part of the production costs have been compensated out of profit. So as not to speak groundlessly, I will refer to the recent past--the period of preparing the reform of wholesale prices and rate schedules in 1982, i.e., the data on costs of production branches in the eighth and ninth 5-year planning periods, which served as the basis for the change of price levels which were set down in the price lists now in effect.

From the end of the sixties and throughout the seventies there was an intensive process of rising costs of the products of the leading extractive sectors of the economy. A natural reaction of ministries responsible for the profitability of raw materials and fuel branches of industry was to demand compensation for what in their opinion was an objective rise in the production costs in the form of higher prices of their products, and in the final analysis this was in fact done during the 1982 reform of wholesale prices and rate schedules, expressed in the rise in the general level of wholesale prices (rate schedules) of industry by an average of 11 percent.(1)

There was nothing unusual in the fact of higher costs of the branches of the raw materials and fuel-and-energy complexes, taken by itself. Given such substantial shifts in location of their enterprises over the territory of the country, a rise in costs was on the face of it inevitable. The disturbing thing was something else: the size of the price increase demanded appeared to deny all domestic and worldwide experience, which indicated that every new generation entering social production always had at its disposition a more problematical and deteriorated natural and geological environment than the previous one. Nevertheless, the savings achieved by applying to production progressive scientific-technical advances, progressive technologies and methods of organization of work and organization of production not only surpassed the imposed additional costs of society dictated by the factor of deterioration of natural and geological conditions, but even afforded a substantial gain in total costs of labor and physical resources expended to satisfy specific social needs.

It was hardly possible to suppose or to agree with the arguments that this objective tendency had suddenly ceased to operate in the seventies and that many tens of billions of rubles which the state had invested in scientific-technical progress had not yielded a corresponding return. The conclusion suggests itself that factors had emerged which science had either not yet become aware of or had not fully conceptualized. Since the key factor which in the last 1.5 decades required that the two large-scale reforms of wholesale prices be conducted (1967 and 1982) was the rise of costs in the branches of the fuel and energy complex (coal, petroleum, gas, heat, and electric power), it makes sense to analyze the actual causes of the rise in costs and to limit evaluation of their consequences for the national economy precisely to that group of branches.

There is one essentially important circumstance that we need to note at the very outset: the proposition that fuel as a whole was unprofitable in the environment of the prices that existed up until 1982 was not tenable. In 1978 and 1979 total profitability of the branches in the fuel and energy complex exceeded 50 percent. Only coal mining and production of thermal energy were losing operations. But the sum total of the losses was less than one-fifteenth of the sum total of the income derived from selling other fuels and energy. Nevertheless, all the ministries of the branches in the fuel and energy complex without exception demanded a more sizable rise in wholesale prices than were considered possible and sufficient by planning and pricing authorities. USSR Minugleprom, for example, requested a 60-percent rise of coal prices instead of the 42 percent which has gone into the present price lists. USSR Minenergo proposed a 25-percent rise in electric power rates

instead of the 12 percent adopted. Even on such high-income types of fuel as residual fuel oil and gas, whose sales prices contained a sizable share of the turnover tax, USSR Minneftekhimprom requested a 53-percent price rise instead of 36 percent, and USSR Mingazprom advanced a proposal for more than doubling the level of wholesale gas prices--an increase of 105 percent (instead of the 45 percent that was adopted).

A single piece of evidence was as a rule presented to back up these demands: production costs had been rising at a faster rate since the last wholesale price reform had been carried out (1967). Since the prospects are for the natural and geological conditions of extracting fuel to become more problematical to an incomparably greater degree (consequently, the need arises for additional and still more sizable expenditures for exploration and development of new deposits), the inevitable rise in the production cost had to be offset even in the 1982 price level, thereby guaranteeing normal conditions for the cost-accounting activity of the branches and stability of wholesale prices over a lengthy period of time.(2) In order to give an idea of the real change in the level of costs, we will take a highly efficient fuel like gas, where in just the 10-11 years since the 1967 wholesale prices were put into effect the production cost of gas extraction (thousands of cubic meters) rose more than sevenfold between 1966 and the beginning of 1977.

The change in the production cost of gas extraction in a breakdown by cost elements allows us to see that the rise of costs in these years did not affect all the elements of the production cost, but only two items: nonproduction expenses, which after 1970 were named "miscellaneous expenditures not distributed among elements," and depreciation. But the total rise in the production cost on the basis of these two items was quite substantial. The aggregate level of "miscellaneous expenses" per thousands of cubic meters of gas determined 11-12 percent of its production cost in 1966. In 1977 their absolute size had risen 34-fold and had begun to determine more than half of the entire production cost of gas extraction--55.5 percent. But the explanation for this kind of manifold rise in costs proved to be quite simple. Over the period under consideration 50-percent payments for geological explorations began to be included under the item "miscellaneous expenses."

Earlier these payments were recorded as expenditures of the entire state, and they were repaid from the net income of the branch (profit, turnover tax) included in the total rate of profitability in determining the sales price of gas. Now they have become a part of the costs of the branch. But if we calculate the cost of gas production as it was done before 1970 (eliminating outlays for geological explorations from the production cost, but continuing to record them in the total price of gas--as a part of the profit credited), then at the beginning of 1977 the production cost per thousand cubic meters of gas would have been not sevenfold higher than the production cost in 1966, as should follow from the reported data of the branch's performance, but only 3.1-fold higher.

As we see, the distortion of the production cost is quite formidable. Nevertheless, the practice of including in the production cost expenditures which have no direct relation to production continued to spread even thereafter. For instance, beginning in 1982 all of 100 percent of outlays for

geological exploration have been included in the production cost and consequently in wholesale prices of industry as well. Outlays for water management and reforestation operations were also additionally included in the list of costs and consequently also in the production cost.

Nor have we reached the limit even now. In view of the upcoming revision of wholesale prices, it must be pointed out that even today urgent proposals are being advanced for additional inclusion in the production cost (and in the price) of the charge on physical, labor, and financial resources employed in production, transfers to the unified fund for development and technology, the creation and accumulation of reserves in the production entity and in the branch, and so on.

In other words, if this process of expanding what is included in the production costs, which is now out of control, should continue any further, when the time comes to actually work on the problems of conducting the next revision of wholesale prices, planning and pricing authorities may face a new and quite substantial rise of wholesale prices as an inevitability. In order to give an idea of the possible consequences of carrying out such proposals in practice, we will analyze the experience that already exists with including in the production cost 50 percent of the outlays for geological prospecting, and we will attempt to evaluate the advisability of carrying out this measure from the standpoint of the national economy.

When we speak about the legitimacy of including the charge for conducting geological explorations in the production cost for gas (or in that of the products of other raw materials branches), we should note that by their nature these payments have no direct relation to the costs of gas production. The economic purpose of society's outlays for geological exploration is absolutely the same as capital investments and is one of the conditions for expanded reproduction, since they are mandatory and necessary for gas production as a whole. And if capital investments to develop gas and produce it are financed from centralized sources of society, then geological exploration was financed in exactly the same way and is continuing to be financed from the budget.

The purely formal transfer of the source from which outlays for geological exploration are covered from the surplus product of the branch to its production cost did not alter this situation: payments for geological exploration still go into the budget and are distributed by the budget. But performance of this accounting operation, which is purely a case of redistribution, within the limits of the unchanged price of gas, had the result that the actual production cost of gas ceased to reflect the actual content of the branch's costs. The visible rise in the production cost proved to be a fictitious phenomenon occurring because the branch practice of planning and costing proved not to be linked to the national economic system of classification of money resources into income and expenditures (depending on the role which they are to perform in the overall process of reproduction).

The costs of geological exploration to build up and maintain the balance of raw material resources may, and apparently should, be reflected in the production costs of branches extracting raw materials. But the fact that in an economic sense these expenditures of society are to a considerable degree

appropriated for production in future periods requires that some order be put into the present practice of reimbursing them. The system for compensating expenditures to organize and conduct geological exploration must take into account the differing methods of their coverage. The expenditures of a particular gas field directly related to its operation are best reflected, it would seem, in current production costs even in the future, and should be included in the production cost, since their role is analogous to the role performed, we suggest, by engineering or repair subdivisions supporting the normal conditions of the field's operation. A quite different approach must be taken in reimbursing expenditures related to the activity of geological services of an entire gas deposit or the planned performance of exploration for gas reserves in the country as a whole.

These costs naturally do not have any direct relation to the production of gas. The procedure for reimbursing them must, in our opinion, be organized after the pattern and similar to the two-step system of depreciation items for replacement of assets that now exists in industry. If the original replacement value of assets is repaid through the amortization rates for replacement, then the expenditures of the state for general geological explorations must be reimbursed in the same way. But their other part, related to the geological support of particular deposits in the branch as a whole, must be repaid by fixing a special rate for geological exploration similar to the rates that apply in industry for reimbursing outlays for major repairs. The difference between these two rates for conducting geological exploration is only that the state will continue to dispose of resources reimbursing the expenditures of the national economy for geological exploration, and each extractive industry will independently dispose of the other part. In short, the problem of taking geological exploration into account in the production cost of the fuel and raw materials branch of industry does exist and has to be solved. But in any case in improving costing, in putting order into the system of distribution of costs by types and purpose in the process of production must take as their point of departure the need to solve the specific economic problems so as to afford a rise in production efficiency, to simplify the present system of economic relations in the economy, and above all to tighten the economy regime and thrift in production. The present solution of the problem of reimbursing outlays for geological explorations is unsatisfactory in the sense that it causes an artificial monetary "puffing up" of the production cost, a confusion of the income and expenditure size of the budget, and, as a consequence, a loss of control over movement of production costs, an unjustified rise of prices of the product of extractive branches of industry, and ultimately a rise in costs and prices throughout the national economy. We will give a specific confirmation of this.

The plan for development of the fuel and raw materials branches of industry in the twelfth 5-year planning period called for outlays of 46 billion rubles for geological exploration (almost 1.4-fold more than in the previous planning period). About 70 percent of this amount--32 billion rubles--will go for expanding the raw materials base of the petroleum and gas industries.(3) On an annual basis the outlays amount to 6.4 billion rubles in the production cost of petroleum and gas, which obviously raises the overall level of the production cost of petroleum and gas as compared to the production cost

assumed in the level of the present petroleum and gas prices by more than 2.5 billion rubles. Since the costs of industry in the 12th Five-Year Plan will inevitably turn out to be the basis for setting the new wholesale prices in the upcoming revision that has been proposed, in accordance with the present methodology of determining the price level, those 2.5 billion rubles will become part of the wholesale prices of petroleum and gas. In view of the fact that every additional ruble of costs or profit including in prices of the original raw material or fuel, as a consequence of its own multiple turnover, increases the money costs of society in the stage of setting prices on the product for the ultimate purpose a minimum of fivefold,(4) those 2.5 billion rubles of additional outlays for geological exploration will alone require an overall rise of prices by an amount exceeding 10 billion rubles in the national economy. The question is this: Can we consider permissible a rise in prices dictated not by the operation of any objective causes, but by the failure to solve problems in the recording and classification of costs in the national economy? It seems to us that we cannot.

A distortion of the production cost can also be traced through such an item as depreciation for replacement of assets. The principal channel for the unwarranted rise of costs and prices is related to the practice of building up and using the depreciation fund at the level of the national economy.

An analysis of the data of industry reflecting the total amounts of depreciation credited (and accordingly recorded in the production cost of the branches) for the replacement of existing capital assets (the deductions for replacement) and the amount they are reimbursed in the form of the cost of deliveries of equipment intended to replace fixed assets which are physically worn-out and written off showed the following: in 1976 industry transferred to the centralized fund (at the same time including it in the production cost of its products) 12 billion rubles more than it received to update its assets (renewal). The next year (1977) this difference increased more than 12 percent in a year. For comparison we will note that the rise in capital investments in 1977 over the previous year was only 3 percent; that is, it was less than one-fourth of the growth of the depreciation which was not used for its direct purpose. In its total amount the underutilized depreciation proved to be equal to 20 percent of the profit which industry obtained in 1977.

In principle it is quite legitimate for the total amount of depreciation computed to exceed the amount used for purposes of replacement. The volume of fixed capital activated is constantly growing, whereas the depreciation committed to reimbursement of wear reflects the smaller total amount of value of capital from earlier periods. But this could be justified in the case when that difference does not exceed reasonable limits and occurs on a natural basis--on the basis of periods regulated by depreciation rates for writing off and replacing the assets withdrawn from production. But the real picture has been this: the industrial production capital operating both in industry and other sectors of the economy included many, many pieces of equipment (machines and devices) which were not only obsolete, but also had long ago become physically worn-out and should have been written off.(5) Since the value of assets which are physically worn-out has already been carried over to the production cost in past years, in the economic sense it represents nothing other than a concealed form of profit additionally extracted through the

production cost under the heading of depreciation. In other words, once again we are tracing the confusion of the revenues of society with its expenditures. But the price which the national economy is forced to pay for this confusion is rather high.

The operation of worn-out equipment naturally required additional repair work. This in turn made it necessary to have a higher rate of depreciation for major repairs--the second component comprising the total depreciation fund along with accumulations for full replacement of fixed assets. The figures given in the report of M.S. Gorbachev at the June (1986) Plenum of the CPSU Central Committee indicate how substantial were the funds spent for repair of physically worn-out equipment. At the present time equipment repair costs 10 billion rubles in the industrial sector. More than 3 billion rubles of this amount goes to repair equipment which has been operating beyond the standard service life. Thus the actual hiking up of repair costs amounts to one-third on this basis. But maintaining worn-out assets on the balance sheet means that technically outdated and physically old equipment which has neither an economic nor a moral right to exist is directly included in shaping the average conditions for production.

Since the actual costs of enterprises form the level of prices on the basis of the present pricing methodology, inclusion of depreciation deductions in the production cost when they have no real material base becomes not only a channel for recognizing the justifiability of the existence of technically outdated and obsolete equipment (the worst conditions), but in the final analysis it is also a method for concealed financing of the technical backwardness of production through prices. Taking into account that above-allowance depreciation deductions for major repairs are recounted many times over along the entire chain of social production--from the initial raw material to the end product (increasing a minimum of fivefold), the unjustified increase in the production cost in the national economy on the basis of economically unjustified repair of worn-out equipment may reach 15 billion rubles in the stage of the new price revision.

Performance of measures outlined by the 5-year plan, of course, moderates the severity of the problem of the increasing physical age and obsolescence of equipment. The coefficient of retirement of fixed productive capital is to be raised from 1.8 percent in 1985 to 3.1 percent in 1990, and from 3.2 to 6.2 percent with respect to the active portion of fixed capital. The absolute amount of retirement of outdated assets will reach 240 billion rubles as against 110 billion rubles over the past 5 years. But the danger still exists that the future prices will be based on costs which in essence contradict the requirements of scientific-technical progress. To avoid this, in conducting the upcoming revaluation of fixed capital, the point of departure must be establishment of uniform rates of depreciation for reproduction of fixed capital. In other words, to unify in an overall rate the deductions made for replacement and major repairs.(6)

This procedure for setting depreciation rates must be accompanied by a real transfer to branches, associations, and even enterprises of the right to dispose of this unified depreciation fund--to settle the question of the

economic advisability (effectiveness) of either doing a general overhaul or of writing off worn-out equipment and replacing it with new equipment.

There is no reason to think that doing away with depreciation rates for major repairs will result in a situation where branches (enterprises) will turn exclusively to renewal of worn-out equipment and will renounce general overhauls. Let us turn to the data on wear and the cost of replacing machines in a sector of the economy like motor transport. Even though general overhauls of motor vehicles in the mid-seventies was relatively expensive for motor pools, and the quality of repairs left much to be desired, still it competed successfully with renewal of the motor fleet by writing off the worn-out vehicles and replacing them with new ones. The calculations show that if the capacity of the automotive industry that existed in the seventies allowed for renouncing general overhauls of vehicles and limiting their operation to the service life of the new vehicle up to the moment of its full physical wear and writing off the vehicle for scrap metal (adhering, of course, to all the technical conditions for servicing and current repairs), the general level of operating costs and outlays for reproduction would have been 0.96-1.01 kopecks per kilometer traveled. The optimum costs, even assuming relatively high prices for spare parts and general overhaul, are in the range of 0.85-0.87 kopecks per kilometer and require that at least one general overhaul be unfailingly performed.(7) The example given provides the confirmation that economic computation and only economic computation should settle the question of using the unified depreciation fund.

Now let us turn to a more thorough analysis of the deduction for replacements which were not fully used for their specific purpose and taking gas as an example once again show the distorting influence those deductions have had on the production cost. For every 1,000 cubic meters of gas produced in 1977, these deductions over and above the expenditures actually made for physical renewal of assets amounted to 65.3 rubles. If these expenditures of the branch are excluded from the production cost of the gas, which has already been relieved of outlays for geological exploration, then it turns out that together with the higher costs in the item "miscellaneous expenses" the real production cost of gas in 1977 was quite substantially hiked up as compared to 1966.

In the costing methods practiced until the 1967 reform of wholesale prices and rate schedules, when the real processes related to use of funds for replacement were recorded (if the sum of deductions for replacement is equivalent or close to the total needs of the branch for replacement of capital--these are costs, if not--the excess is a concealed form of profit), at the point when the decision was made to conduct the reform of wholesale prices (1979) the production cost of gas was at a level acceptable for most branches and sectors. Which accounts for the conclusions that follow for an objective evaluation: the real rise of the production cost of gas over the period from 1966 to 1977 was substantially less (hardly more than a tenth).

Consequently, the rise in the cost of gas production observed following the 1967 reform of wholesale prices and rate schedules was not caused so much by deterioration of natural and mining-geological conditions as by the change in the system of planning and recording costs, by the emergence of hidden

channels for the branch to extract additional profit. The actual rise of the production cost related to the relocation of the principal gas fields to the northern and other inaccessible regions of the country, increased only 63 percent over the base (the base was 1966) rather than 4.2-fold, as the ministry tried to prove. It is this growth that can be regarded as expenditures actually inevitable, expenditures which society has to pay because of the objective deterioration of the natural and geological environment. But these are not amounts that would accord the right (provide the economic justification) for raising the question of doubling the wholesale price of gas (nor even an increase of the 45 percent to which the planning and pricing authorities were forced to agree), if we remember that this is one of the most lucrative products of the economy.

The lack of the requisite economic monitoring of the use of funds for replacement not only distorts the meaningful content of the production cost as a costing category (it ceases to be a measure of real production costs and becomes a source of extracting income), but it also gives rise to conditions for occurrence of an artificial shortage of manpower in the economy, an idling of capital, and a drop in the output-capital ratio.

The amounts of depreciation not used for their specific purpose are channeled as a rule into the financing of new capital construction. This means that the workers who should have had updated and improved equipment to work with are continuing to run the old equipment which still has not been written off.

Every work station created with the depreciation resources intended for replacement of existing assets, but channeled instead into the construction of new capacities, mean an additional need for manpower, which ought not to occur if the normal cycle of reproduction had been observed. The present practice in the economy does not have an effective and reliable mechanism for economic monitoring, which would compel planning and sectoral management authorities to bring their desire to obtain at their disposition a large amount of equipment and additional capacities into line with the manpower resources which are, of course, limited. This provides an explanation for the ease with which funds were siphoned from depreciation intended for retooling and reconstruction of production into the domain of capital investment, the shortage of manpower, and the decline in the output-capital ratio which have had to be confronted in the national economy in all the recent decades. And still the main danger of the unwarranted practice of using depreciation for the purposes of replacement lies in the fact that it distorts the basis for evaluating the justifiability (economic advisability) of specific economic and business decisions capable of having a substantial influence on the course of development of production and the direction of its improvement.

The state of affairs in the coal industry, which deteriorated in the seventies--the production cost of coal mined underground increased--served as one of the basic reasons for conducting the 1982 reform of wholesale prices, as we all know. The cost per ton of coal mined in the branch as a whole rose hardly more than 5 percent between 1968 and 1976. In other words, by the time the actual work was done on the problems of conducting the 1982 reform of wholesale prices, the production cost of coal had not risen very much. With respect to all the items of the production cost of coal mining, excepting

depreciation for replacement, there was an appreciable drop in costs, including outlays for wages. The rise of depreciation per ton of coal mined as compared to the base period (1968) exceeded the general rise in the production cost of coal. A more detailed analysis shows that the rise in depreciation in the coal industry over the period under consideration is to a considerable extent more apparent than real. Out of the 12 billion rubles of surplus depreciation deducted in 1976, which we spoke about above, the share of the coal industry was more than 500 million rubles, which amounts to 69 kopecks per ton of coal mined. If we compare this figure to the actual increase in the amount of depreciation in the cost of coal production over the period analyzed (64 kopecks) and the total growth of the production cost (58 kopecks), then it turns out that there was actually no rise in the production of coal mining at all. On the contrary, by comparison with the costs of the base year (1968), coal mining in 1976 was 1.2 percent less expensive in the sector as a whole. In other words, if 500 million rubles had not been taken from the coal industry for the item "depreciation for replacement," money which in the economic sense represented net income created in the branch, stabilization of the existing coal prices would have been ensured.

Keeping coal prices at the same level, when coal is the marginal form of fuel on the basis of costs and is used for forming the entire price system for the products of the fuel and energy complex, would in turn have eliminated the need for conducting the 1982 general reform of wholesale prices. It is sufficient to say that this measure resulted in repetition of processes which had already occurred after the 1967 reform of wholesale prices, and it was the rise of wholesale prices that was the basis for the subsequent rise of the production cost. The rise in the production cost was in turn a step for a new justification of price rises, and this applied both to the products of industry itself and also those of other sectors of the economy.⁽⁸⁾ As early as 1983 there was a need to raise by 16 billion rubles the purchase prices of farm products, in 1984 estimate prices and unit costs had to be revised in construction (once again meaning a rise in their general level), just as in 1972, and preparations began for conducting the next revaluation of fixed capital during the twelfth 5-year planning period. If we are not to allow an intensification of the rise of costs and prices in the economy, we need decisive steps to eliminate the causes giving rise to this growth. Regularizing the practice of computing and using depreciation for the purposes of replacement will not only diminish this tendency, but in our opinion it could become one of the conditions for stabilizing and even lowering the present level of wholesale prices when they are reviewed.

The calculations made at one time for the conditions of the 2d half of the seventies indicated this: If we take into account the recounting of depreciation for repair not used for the specific purposes along the entire chain of social production--from the initial raw material to the end product, then when we omit the previously mentioned 12 million rubles from the costs of industry as being economically unjustified, it would have been possible even in those years to sharply reduce the level of the production cost in industry. By prolonging this saving on the production cost in the form of a possible lowering of wholesale prices, we obtained the following very interesting results.

By the time the decision was made to conduct the new reform of wholesale prices (1979), the real prerequisites existed for lowering the general level of wholesale prices in effect in that period by 12 percent. This drop in wholesale prices would have been made up from the following: a) a drop in the sum total of depreciation included in the production cost of industrial products; b) reduction of profit in branches creating intermediate products because of the charge on assets relative to the list value is recounted; c) a lowering of the money estimate of material costs in the branches of heavy industry on the basis of the mutual influence of prices.

Since the prices of the products of the branches of heavy industry make up the production costs of light industry, the food industry, and agriculture, real opportunities would have arisen for lowering the level of the wholesale and purchase prices in effect even in those branches and sectors. If retail prices of most end products had remained unchanged (excepting that portion intended for the purposes of accumulation and recorded in the national income and wholesale prices), it would have been possible to lower the degree of subsidies to a number of sectors of the economy during that period, and there would have been a corresponding increase in budget revenues. Since wholesale prices and other equivalent types of prices and rate schedules make up the cost of the intermediate product of society, those 12 billion rubles which the budget lost under the item of accumulation of depreciation would have been reimbursed also threefold in the form of a corresponding increase in the difference between retail and wholesale prices of finished consumer products, and this would have been directly or indirectly accumulated by the state budget.

This is basis for supposing that at the present time the potential for a possible lowering of the level of wholesale prices during the next review by taking this factor into account would be rather substantial. Putting that potential to use requires rethinking the present system of planning, recording, and calculating costs and radically restructuring it.

Speaking at the conference in the CPSU Central Committee headquarters on the problems of accelerating scientific-technical progress (June 1985), M.S. Gorbachev said that "the economy regime is the road to our wealth and truly the task that stands above all others...."(9) Putting order into the system of recording and classifying costs in the economy and in planning and costing products is a method of solving this problem. Thus the problems of putting order into this system and radically improving it must become a subject for particularly close attention on the part of our economic science in the coming period.

FOOTNOTES

1. "Spravochnik po tsenoobrazovaniyu" [Pricing Manual], Moscow, Ekonomika, 1985, p 16.
2. It would seem that the experience in recent years has confirmed the soundness of these arguments. For example, a year after the 1982 wholesale prices were introduced, the rate of loss of coal mining proved to be close to the level which it had been in the period when the decision

was made to raise the prices of coal (1979)--about 1 billion rubles. So as not to conduct a new reform of wholesale prices in the twelfth 5-year planning period, while retaining price levels of fuel and energy stable for consumers and at the same time to eliminate the operating loss of coal mining that had occurred (which was inevitable in the opinion of USSR Minugleprom), a decision was made even in 1986 to adopt a system of calculated prices in the coal industry. The difference between the higher calculated prices and the release prices for coal, which had remained unchanged, was approximately 4.5 billion rubles at the end of 1986 according to our rough calculations. This not only offsets, but indeed exceeds, the total amount of additional rise of wholesale prices of coal on which the ministry insisted, but which was not accepted by planning and pricing authorities in the process of preparing and conducting the 1982 reform of wholesale prices.

3. N.I. Ryzhkov, "On the State Plan for Economic and Social Development of the USSR Over the Period 1986-1990," speech delivered at the 5th Session of the USSR Supreme Soviet, 11th Convocation, Moscow, Politizdat, 1986.
4. IZVESTIYA AN SSSR, SER. EKON., No 2, 1985, p 6 (footnote).
5. A survey conducted by USSR Stroybank, for example, showed that in the system of USSR Gosstroy the percentage of equipment which had exceeded its service life at the beginning of 1978 was as follows: for single-bucket excavators 15.8 percent of the total number, for bulldozers 17.7, for truck cranes 10.7, and for trucks 41.6 percent. And depreciation continued to be deducted for this worn-out equipment, and it was ultimately included in the production cost of construction work and ended up in the original estimated cost of projects.
6. What we have said does not contradict the proposition made earlier about taking over the practice of the industrial sector (developing a two-rate standard for depreciation) into the sphere of compensating outlays for geological exploration. There it would be progressive, in industry it is a measure which is no longer justified and is holding back scientific-technical progress.
7. V.A. Yefremov, "Economic Appraisal of Roads," PLANOVYE KHOZYAYSTVO, No 4, 1975, p 30.
8. On the threshold of working out the draft plan for the twelfth 5-year planning period, for example, the USSR Ministry of Coal Industry presented proposals on the need for a further rise in coal prices by an average of 75 percent. IZVESTIYA AN SSSR, SER. EKON., No 2, 1985, p 5 (footnote).
9. M.S. Gorbachev, "Korennoy vopros ekonomicheskoy politiki partii" [The Fundamental Issue in the Party's Economic Policy], Moscow, Politizdat, 1985, p 17.

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UNIFIED SYSTEM FOR DESIGNATING ARTICLES, DESIGN DOCUMENTS

Moscow STANDARTY I KACHESTVO in Russian No 6, Jun 87 pp 30-32

[Unattributed article: "Problems of Introducing GOST 2.201-80 and the Unified Design Documentation System Classifier: The Results of a Discussion"]

[Text] After our journal published the article by M. K. Blinov, et al, "The Introduction of GOST 2.201-80 and the Unified Design Documentation System [hereinafter UDDS] Classifier," the editorial office received more than 30 letters, memorandums and articles (from G. N. Litvinov of Chelyabinsk, M. Bogdanov of Leningrad, V. Nakvosas of Vilnyus, G. E. Lyubarskiy of Kiev, L. Popov of Leningrad, M. P. Kravchenko of the city of Ramenskoye in Moscow Oblast, B. A. Protserov of Moscow and G. V. Davshan and B. V. Lukin of Voronezh, from a group of authors from Novosibirsk, and from others). Some of the papers sent were printed (see No 11, 1986; No 12, 1986; No 3, 1987; and No 5, 1987) and the recommendations expressed in them are already known to our readers. The opinions of the readers expressed in the papers that have been published and in the papers still not published were divided.

Some considered that in an era of expanded interbranch ties, radical improvement of data-base organization and management, intensification of specialization and the principle of cooperation in production, the introduction of progressive technologies into production, and the creation of interindustry scientific and technical complexes, conversion to the Unified System for Designations of Articles and Design Documents with Use of the UDDS Classifier results from objective necessity.

Others completely disagreed with this. They considered that the new system for designations will not help to speed up scientific and technical progress, since the procedure for assigning a designation to a part is, in their opinion, too complicated. Where enterprises have converted to full cost accounting, introduction of the UDDS Classifier will lead to financial outlays that are in no way justified.

Some of the responses made recommendations for improving the UDDS Classifier. We sent these to Gosstandart [State Committee for State Standards] for consideration of the remarks.

The matter of transferring ministries and agencies to the Unified System for Designations of Articles and Design Documents with Use of the UDDS Classifier has been discussed repeatedly also at sessions of the Council of Chief Designers for Machinebuilding under USSR Gosstandart.

On 25 March 1987 an expanded session of the Council convened under the chairmanship of the First Deputy Chairman of USSR Gosstandart B. N. Sokolov, with representatives of ministries, agencies and enterprises participating. In all, about 50 people were present.

S. L. Taller (a sector manager of VNIINMASH [All-Union Scientific-Research Institute for Setting Standards in Machinebuilding]) and G. G. Stepanenko (deputy chief of a section of the Vibrator PO [production association]) delivered the main reports.

Fourteen people took part in the discussion. Their opinions were divided, the same as those of our readers.

The representatives of enterprises that had introduced the Unified System for Designations of Articles and Design Documents with Use of the UDDS Classifier (the NPO Kriogenmash [Science and Production Association for Cryogenic Machinebuilding], the PO Znamya Oktyabrya, and others), noted that, during the development of articles and technological preparation for production, use of the UDDS Classifier yielded substantial economic benefit. In so doing, the impersonal system of classifying parts according to geometric criteria promoted the wide introduction of ganging technology into production, a sharp rise in new developments in the level of unification, a reduction in the volume of design documents and in time spent on and the labor intensiveness of design and technological operations, and more effective use of SAPR [computer-aided design], GPS's [flexible production systems], and rotary and rotary conveyor lines. This was especially characteristic for enterprises that produce in short series and produce broad mixes of output.

At the same time, such enterprises as PO Kirovskiy zavod and PO Uralmash and Minavtoprom [Ministry of Automotive Industry] plants and some other plants consider that use of the Unified System for Designations of Articles and Design Documents and the UDDS Classifier is not desirable for them and creates additional difficulties. At these enterprises, basically two systems are in operation: the objective, and the impersonal.

An interesting experiment, according to a report of the Ulyanovsk Oblast CPSU Committee, will be conducted at enterprises of the region, where it is planned to create and, by the end of 1987, to introduce ganging technology systems for the manufacture of articles on the basis of the UDDS Classifier and the Technological Parts Classifier.

Moreover, the question of converting the country to the Unified System for Designations of Articles and Design Documents with Use of the UDDS Classifier is not restricted just to the field of design operations but will be spread to the areas of data-base organization and management, industrial preparation for production, and the operation and repair of articles.

In accordance with the results of discussion of the indicated question at the Council of Chief Designers, the decision was adopted:

1. To convert to the Unified System for Designations of Articles and Design Documents with Use of the UDDS Classifier differentially, depending upon the specifics of production and practical experience as it is gained.

2. In some cases, when the output and the industrial tooling are unique, the production facilities of the enterprises are singular, and the enterprises are not expected to become parts of interbranch scientific and technical complexes, to allow, upon the recommendations of ministries and agencies and with the concurrence of USSR Gosstandart and the Customer, the retention for a definite period of time of the system for designating articles and design documents that exists at these enterprises. In so doing, design documentation that is transmitted to enterprises of other ministries and agencies should, at the request of using enterprises, be designated in accordance with GOST 2.201-80.

3. To require ministries and agencies to provide for the unconditional use of the UDDS Classifier, with a view to creating conditions for converting to ganging technology during the introduction of flexible production systems and rotary and rotary conveyor lines.

4. To require USSR Gosstandart to report in 1987 its experience in introducing the UDDS Classifier at enterprises and in Ulyanovsk Oblast industrial organizations with a view to using it at the All-Union level.

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ROUNDTABLE HELD IN TYNDA ON BAM AREA DEVELOPMENT

Moscow EKONOMICHESKAYA GAZETA in Russian No 29, Jul 87 pp 8-9

[Article by V. Bavin, special correspondent, Tynda, Amur Oblast: "BAM: Problems of All-Round Development." First two paragraphs are source introduction]

[Text] In the city of Tynda, the capital of the Baykal Amur Trunk-Line, a business-like meeting was held for representatives of transport builders and railroad workers, scientists and specialists, leading production workers and party, soviet and economic workers. The "roundtable" on problems concerned with the all-round development of the BAM [Baykal Amur Magistral] and industrial and social development was organized by the Amur Oblast Committee, the Tynda Municipal Party Committee, the Siberian Branch of the USSR Academy of Sciences and EKONOMICHESKAYA GAZETA. This business like meeting was opened and conducted by the secretary of the Amur Oblast CPSU Committee V. Fedin

It was stated during the June (1987) Plenum of the CPSU Central Committee that large-scale national economic problems occur at the point where the branches come together. This is why it is so important to overcome the barrier of departmentalization during the course of developing new territories. From the very beginning, the principle of all-round development of the region, which assumes more efficient utilization of local labor, natural, production and economic resources, should prevail. Unfortunately, a deviation from this important principle has been tolerated in the development of the BAM zone. In the opinion of those who participated in the meeting, not everything is occurring here as originally planned.

"In discussions concerning the lessons of BAM" stated V. Fedin, "many words were uttered concerning the negative manifestations and mistakes noted in the approach and strategy for development. But the figures speak for themselves. Under complicated natural conditions, the builders laid 3,500 kilometers of railroad track and they erected 3,348 man-made installations, including 1,987 bridges including 142 which were more than 142 meters in length. And there is still one other fact -- through movement was opened up 1 year earlier than planned."

But the opponents were correct: effectiveness in the construction of the trunk-line would have been higher if there had been no obsolete or erroneous solutions embodied in the plan. We were inhibited by many stereotyped

thoughts and by a lack of exactingness in the approaches employed for solving the large-scale national economic tasks, at which time no attention was devoted to the social problems.

Time Factor

The BAM brought to life new settlements and new industrial enterprises. USSR Minlesbumprom [Ministry of the Timber, Pulp and Paper and Wood Processing Industry] was one of the first to take advantage of the trunk-line and in 1980 it created the Tyndales Association, which has been steadily increasing its work volumes. It was stated during the meeting that last year it procured 1.7 million cubic meters of wood and this year the volume will increase by still another 200,000 cubic meters. All five of the timber industry establishments included in the association are increasing their capabilities and establishing settlements along the BAM. With the opening of through movement, it became possible for the timber procurement specialists to enter new tracts of the Taiga in Zeyskiy and Selemdzhinskiy rayons. This will make it possible to increase the procurement of timber by more than 1 million cubic meters annually. But today we have in mind not simply an increase in the procurement and shipment volumes but also the all-round use of the timber raw materials.

"Over a period of 7 years" stated the chief engineer of the Tyndales Association S. Yemelyanov, "we have been submitting a proposal to USSR Gosplan and USSR Minlesbumprom calling for the creation of capabilities for a waste-free technology. In particular, it was recommended that a plant be built for the production of chipboard panels. There are adequate raw materials available! The creation of a furniture factory also makes sense. Eventually it should be possible to supply semi-finished goods for furniture factories in Amur Oblast. However, the Giprodrev Institute has "proven" that there is no profit to be gained from the production of DSP [drevesno-struzhechnyye plity; chipboard panels] in Tynda. And in this manner the possibility of creating waste-free production operations was eliminated.

In the opinion of those who participated in the meeting, the creation of enterprises for the processing of wood waste products is more acceptable than the construction, for example, of a plant for agricultural machines, a subject which was discussed at various conferences. This recommendation was to say the least exaggerated. Indeed, here it is necessary to import literally everything and subsequently to export the finished products over thousands of miles. Meanwhile, timber is at hand and the road already exists. A DSP plant (preferably with furniture production and sawmill operations), in the opinion of those who participated in the meeting, could be transformed into a city forming factor for Tynda.

Here the workers attached to the planning organs have something to think about. It is unfortunate that there is not enough time remaining for reflection and discussion. The timber procurement specialists have admitted that they are late in developing the BAM zone.

The geologists have also fallen behind. Amur Oblast has at its disposal large supplies of coal, ferrous and rare metals, iron ore and raw materials for the production of mineral fertilizers. But detailed geological surveys have been

carried out on only 20 percent of the territory and geochemical studies -- on 12 percent. The BAM zone, especially in Amur Oblast, remains the least studied, despite the fact that in terms of area this territory is almost equal to all of the remaining sectors adjoining the trunk-line. What is the reason for this? It turns out that the geological search work in the oblast is being carried out by the Dalgeologiya association, which is located in Khabarovsk Kray. Up to 90 percent of the resources are being employed for exploiting their own area and only 10 percent for Amur Oblast. This disparity is very obvious.

"In April of 1985" stated the chief of the PTO [Production and Technical Department] of the Tynda Geological Prospecting Expedition V. Khalmanskikh, "our organization was created, an organization which should correct this matter. But its establishment is encountering difficulties: there is not enough housing or production facilities."

Meanwhile, a joint decision was handed down last year by the Amur Oblast Executive Committee and the RSFSR and USSR ministries of geology calling for the allocation to the Tynda Expedition of additional equipment, mechanisms, house trailers and warehouses. Alas, the promises were not carried out completely even though the document carried some respectable signatures -- ministers L. Rovina and Ye. Kozlovskiy and the chairman of the oblast executive committee I. Mavrin. As a result, the geologists do not even have their own heavy transport. The Tynda geologists must move drilling units which weigh 30-40 tons from one sector to another using machines which belong to the builders. But the builders are not always willing to accommodate them. Thus, time is lost.

How Can Efforts Be Combined?

With the opening of through operational movement on the BAM, access is now available to the natural riches of the Far East, Yakutia and eastern Siberia. During a year's time, the country's 32d railroad will transport up to 7 million cubic meters of timber and 16 million tons of coal from Neryungri and from Urgal.

"In 1989, we will accept the remaining sectors into operations" commented the chief of the Baykal-Amur Railroad V. Gorbunov, "and in 1990 we will achieve the planned level of movement. But today there is one problem that disturbs us: how will the BAM be utilized? Will there be a workload? We heard the timber procurement specialists and geologists when they admitted that they are late in carrying out the economic development of the territory. It is believed that other departments are also making very slow progress -- USSR Mintsvetmet [Ministry of Nonferrous Metallurgy], USSR Minchermet [Ministry of Ferrous Metallurgy] and Agroprom [agro-industrial committee]. Power engineering, the construction industry and the construction materials industry must all undergo further development. But the future prospects are still not being reviewed. Moreover, the initial plan called for the flow of freight to be raised to 36 million tons but subsequently this figure was lowered by one third. Today, according to forecasts, only approximately 20 million tons of freight are being handled. And this is very little.

There is still one other problem. Imagine if you will that we will accept transit trains from Tayshet for the BAM by-passing Baykal. Will they go to Tynda and Urgal and farther? Both connect up to the Trans-Siberian Railroad: from Tynda through Bamovskiy and from Urgal through Izvestkovyy -- in the first instance it will be necessary to strengthen the secondary tracks and in the second -- to modernize. And this must be done today, since tomorrow will be too late.

Certainly, a double track should have been built simultaneously on the BAM - Tynda - Berkakit meridional sector. Today the road is experiencing difficulties in coping with the deliveries of Neryungri coal, which constitute 70 percent of the freight shipments. The construction of a second track will commence next year. But this will produce many inconveniences. Once again the builders will have to return to the site. They will have to work alongside a track on which there is intensive movement. I believe that this situation developed as a result of an obsolete plan. It was approved in 1977 and no longer takes into account the changes wrought by the technical revolution or the intense nature of production operations.

Unfortunately, the mistake of a small BAM is being repeated: the construction of the Amur-Yakutsk trunk-line also began with a single-track variant. It is still not too late to correct the situation. USSR Gosplan and MPS [Ministry of Railroads] must search for the means required, while Mintransstroy [Ministry of Transport Construction] must contract for the modernization of the Izvestkovaya - Chegdomyn Branch.

"Truly" stated corresponding member and director of the Institute of Economics and Organization of Industrial Production of the Siberian Branch of the USSR Academy of Sciences A. Granberg, by way of offering support for this thought: "our use of the region's natural resources is based upon notions which prevailed during the 1970's. And they are now obsolete. In particular, the new economic mechanism is forming a different external environment for the BAM. What is the problem here?"

The scientist expressed his bewilderment with regard to the proposal for the construction of a plant for agricultural machines at Tynda. Let us assume that such a plant was built and that it must function under the conditions of self-financing and self-support. Will the enterprise endure under the new conditions. No. It will experience difficulties in earning funds based upon the use of imported resources and in having money available for replacing the products produced and also for paying wages, which will be more than one and a half times higher than wages in the European region of the country.

Machine building enterprises were planned for the entire BAM region. Those who participated in the meeting believed that they will hardly endure the conversion over to complete cost accounting. Thought must obviously be given to the strategy for the formation of an industrial zone for BAM in accordance with the new conditions, with a correction for time. And certainly, an unconditional preference should be shown for the formation of enterprises which operate on the basis of local raw materials.

"There is still one other important aspect" stated A. Granberg, "the departmental approach is harmful to BAM. Today, with entire ministries converting over to the new conditions for management, the situation is aggravated by the fact that it is becoming more difficult to attract them to the Far East and Siberia: they are being forced into counting their rubles and noting clearly where a guaranteed return can be obtained. In the BAM zone they will be repaid rapidly and profitably for their expenditures. In order to solve the large-scale state tasks in an efficient manner (including the development of the BAM zone), USSR Gosplan must prevail upon the ministries to take root in the new regions and to pool their resources. But life has shown that not one of the departments wishes to be first in line. Only in this manner is it possible to explain (but not justify) the lag that has taken place in the development of the BAM zone."

The participants in the meeting supported the recommendation which was subsequently rendered: for the sake of the problem, the time is at hand for raising the role played by the "center" in developing the resource regions.

The defaming of the role played by the central organs in this matter has precluded the possibility of making correct investments in the BAM zone. And although trains are rolling over the track, the rails in many sectors of the trunk-line are rusting. Why? During 13 years devoted to the construction of the road, only one TPK [territorial-production complex] has appeared in its zone -- Southern Yakutsk. A second -- in the vicinity of Komsomolsk-na-Amur -- was formed independently of the new trunk-line. There is still nothing more in the BAM zone that would serve to justify more rapidly the state's expenses.

"I see two reasons for the delay and lag in the all-round development of the BAM zone" stated the secretary of the Tynda Municipal CPSU Committee. We have decisions which were handed down by the directive organs concerning construction of the trunk-line. But there is not one having to do with the economic development of the adjoining zone. The appearance of representative committees, including the two USSR Gosplan committees headed by deputy chairmen did not bring about any improvements: the departments did not display any initiative."

And there is a second factor. Experience has shown that economic policy in the BAM zone must be carried out by a single leading organ that is interested in simultaneously carrying out, in a state manner, further construction of the road and the development of the production sphere. This is why the thought of centralized management and support for the development of new regions is deserving of approval and attention. This could be made a reality by the staff of USSR Gosplan for the Far East, but for the fact that it still has not been granted the authority needed for actively influencing the coordination of the efforts and actions of the various departments.

A. Tereshchenko, deputy chairman of the municipal executive committee stated: "I would like to make one additional comment. We have still not addressed the social problems. During the period of BAM construction, a sufficient number of these problems has accumulated. Here the system of multiple departments has placed us in a difficult situation. Allow me to cite one fact. Use has

been made of 78 percent of the resources allocated for production purposes and of those set aside for housing and socio-cultural-domestic needs -- only 50 percent."

For Home, For Family

"I have been working at Tynda since 1972" stated the leader of a brigade of finishing workers of SMP-585 of the Tsentrobamstroy Trust, V. Danilova, "I have seen the settlement transformed into a city. It was built by collectives well known in the BAM zone, collectives headed by brigade leaders Stanislav Levchenko, Anatoliy Gusev, Musaib Ayubov, Aleksandr Vladykin and Viktor Donskoy. All of us went to the business-like meeting imbued with desires and interest. We are very much disturbed by the problems of BAM."

We built multiple story buildings containing all conveniences in the city. Generally speaking, the city-dwellers were provided with 362,000 square meters of well organized living space. At their disposal are such facilities as a palace of culture for railroad workers, a trade center, post office and a telegraph office.

A. Tereshchenko: "But the amount of construction has been negligible. The shortage in housing space still exceeds 590,000 square meters. More than 5,000 individuals live in house trailers. The waiting list for apartments has reached 10,000 families. There is a shortage of 4,735 places in kindergartens, 4,500 in schools and 783 in dining halls and cafeterias. I mention these facts in the interest of attracting the attention of the leaders of the ministries of railroads and transport construction: the families of workers assigned to their collectives are awaiting the attention and concern of these departments. During the June Plenum of the CPSU Central Committee, serious complaints were addressed against those ministries and departments which failed to handle properly the housing problem and the expansion of the network of socio-cultural installations. There was good reason for a discussion of the city building plan taking the form of a lively exchange of opinions. Two series of buildings are being erected in Tynda. The best is the "Moskovskaya" series. And the workers claim they are ashamed to mention the other. The panels are being produced by the Shimanovsk Combine of the construction industry. There are no balconies, the points where the units come together are not being sealed and the houses appear to have five angles -- such was the description provided by workers attached to LenNIIproyekt. Discussions on improving the plan have taken place over a period of many years and still no progress has been made.

Other social problems were cited during the meeting, all of which required urgent solutions. For example, the availability of hospital beds in Tynda is only 55 percent and polyclinic beds -- 29.9 percent of the norm. With the exception of a maternity hospital for 60 patients, there are no good quality medical facilities in the city.

"It would appear that insufficient attention is being given to the establishment of public health services in the city -- commented the chief doctor of the municipal hospital V. Bykovskiy, "more than 100 committees are working on the problems concerned with developing these services and their

recommendations have been reviewed at various local and central levels. But the good intentions have been drowned in a sea of formalism."

"A difficult situation exists with regard to organizing public health services for all of BAM" continued the chief of the Medical-Sanitary Service for the Baykal-Amur Railroad V. Shcherbakov, "and the reasons for this are familiar ones. First of all, the lowered size of the population in the BAM zone is taken into account in the technical plan which, as already noted, was composed on the basis of old SNIP's [construction norms and regulations]. Thus the availability of billets in hospitals is lowered by more than twofold."

Five hospital complexes for 450 beds and polyclinics for 850 visits per shift were to have been built prior to the end of the five-year plan. Their estimated cost -- 30 million rubles. But the capital investments are being allotted in miserly amounts: in 1986 -- 2.7 million, in 1987 -- 2 million rubles. And still the resources allocated are not being utilized.

The work is being held up by this same departmental approach. Along some sectors of the road, the erection of medical facilities is being carried out by USSR Minlesbumprom [Ministry of the Timber, Pulp and Paper and Wood Processing Industry]. On the Urgal - Postyshevo - Komsomolsk-na-Amur Sector, the timber procurement specialists should have built hospital complexes as early as 1962, but they still have not made an appearance. Nor has such work been started at Suluk and Gorin stations and at Postysheva use has been made of only 50 percent of the available investments. 10,000 individuals are lacking hospital medical assistance.

The territorial network of medical institutes is not being developed. In keeping with the policy set by the local soviets, construction work has been completed on maternity hospitals at Nizhneangarsk and Tynda and on a standard hospital at Chara. The oblast executive committees, Khabarovsk Kray Executive Committee and the councils of ministers for the Buryat and Yakut ASSR's have still not established public health departments and administrations for providing services for BAM.

"In carrying out the orders of the electors" stated deputy to the RSFSR Supreme Soviet bricklayer-installer of Glavbamstroy G. Kostenko, "I visited the USSR Ministry of Public Health and USSR Stroybank. They listened to my request and allocated 2.2 million rubles for the construction of a maternity home for 130 beds. I went to the Amur Oblast Executive Committee where the deputy chairman of the executive committee and chairman of the Planning Committee S. Makarevich thanked me and then proceeded to destroy our hopes. A suggestion was made to carry out a reduced variant, the construction of a maternity home for 60 beds. I went to the oblast CPSU committee. The department promised to look into the matter. But as yet no solution has been found for this problem."

I am aware that such an attitude prevails in other neighboring oblasts. But such an attitude towards public health for the BAM cannot be tolerated.

The problems of leisure time, physical culture and education, considered to be of equal importance, were also raised during the meeting. But the centers of

culture are huddled together in temporary buildings. As yet, the cultural enlightenment workers have not registered any special complaints regarding their operating conditions or the logistical base. But it is now more difficult to accept those factors which 7-10 years ago were acceptable to the builders of BAM. Yes and the availability of clubs in the central sector of the trunk-line is 42.5 percent and those which are in permanent quarters -- only 16 percent. At Tynda, there are no municipal or rayon palace of culture buildings.

"We are aware" stated the head of the Department of Culture of the Tynda Municipal Executive Committee T. Zagorodnykh, "that decisions adopted in 1974 by the appropriate organs called for the erection of youth and young pioneer palaces, kindergartens and athletic and technical facilities. But they still have yet to appear.

As unanimously claimed by those who participated in the meeting, BAM earlier took great pride in the concerts given by artistic masters. They visited the builders often out on the route. Today they no longer are as active. An example of this -- the festival entitled "Fires of the Trunk-Line." In recent years, such "fires" have been lighted in the oblast centers. Up to 80 percent of the concerts are given by guests who do not leave the BAM. Last year Tynda invited Yuriy Bogatikov to come on tour and yet this favorite singer never made an appearance on the trunk-line. Unfortunately, the RSFSR and USSR ministries of culture, Roskontsert and other departments have not noticed the reluctance of artists to visit the BAM.

Here there is much room for thought by the creative societies of artists, writers and composers. They have decided that the BAM was built too early. Meanwhile, there are many large and important tasks confronting the BAM workers. And just as in the past, art is in the forward zone of BAM.

"In discussing the social problems" commented the deputy chief of the URS [Administration of Workers' Supply] Bamstroyput Trust F. Koval, "we must necessarily touch upon the problem concerned with supplying the BAM with food and industrial goods. Immediately after the trunk-line was connected up and converted over from centralized supply to so-called current supply, the situation deteriorated sharply. Funds for food goods were not made available fully in those oblasts where the trunk-line passed. The quantities of industrial goods declined and their assortment deteriorated. I assume that the decision handed down by USSR Mintorg [Ministry of Trade] did not help the situation.

F. Fedin: Such reasoning is tantamount to taking a parasitical stand. The element of departmental haste was tolerated beyond any doubt. Despite a great desire to do so, we will not wear handsome clothes or a warm sheepskin coat in the BAM zone, since we lack both the enterprises and raw materials needed. But today we must give some thought to what we are capable of producing ourselves. How can our consumption needs be covered using local resources? Such experience is available. Two hothouse establishments are already operating in Tynda -- at the Mostostroy-10 and Tyndatransstroy trusts, where 5,000 square meters of "glassed-in garden space" have been created. Several

trusts have created hothouses for 1,000 square meters of space. Here they grow vegetables, greens and flowers.

During the meeting, approval was given for the actions of the Board of Glavbamtroy, which assigned each collective a task -- to create hothouse facilities at the rate of 1 square meter per worker. Thus, in the future there will be 18-20 kilograms of vegetables and greens per individual. As required by the June Plenum, the BAM collectives are striving to make their own contribution towards the zone's food supply.

Subsidiary farms constitute only a portion of the new production sphere in the zone of the trunk-line, which is referred to today as AgroBAM and which is expected to promote improvements in the supply of locally produced food products.

What is its potential? There are 80 farms of RSFSR Gosagroprom [State Agro-industrial Committee] and 274 subsidiary farms operating within the BAM zone. They are producing annually approximately 100,000 tons of milk, 27,000 tons of meat, 150,000 tons of potatoes and 43,000 tons of vegetables grown outdoors. Subsidiary farms produce from 9 to 30 percent of the agricultural products and private plots -- from 25 to 70 percent.

Certainly, this is not sufficient for satisfying the requirements. There is one solution: the capabilities must be increased.

"And here we must devote greater effort" stated Candidate of Economic Sciences and senior scientific worker at SibNIIESKh L. Cherkasskaya, "the possibility exists of developing dairy cattle husbandry in a more energetic manner along BAM sectors in Khabarovsk Krai, Chita Oblast and in the Yakut and Buryat ASSR's. Very poor work is being carried out in connection with placing new lands in operation in Kalarskiy (Chita Oblast), Tyndinskiy (Amur Oblast), Neryungrinskiy and Aldanskiy (Yakutiya) rayons. The area of fallow land has declined in Zeyskiy Rayon and there has been no increase in Mazanovskiy rayon in the Amur region. The USSR and RSFSR minvodkhozes [ministries of land reclamation and water management] and the land reclamation specialists in the various areas are not carrying out their work in the manner required."

The ministries and departments are not utilizing all of the reserves available for agricultural development. The enterprises of timber procurement specialists, geologists and coal miners are clearly not concerning themselves to the degree desired with the development of these reserves.

Youth: For New Goals

BAM has been and continues to be the chief construction project of the Leninist Komsomol. But for the participation of youth, it would be impossible to carry out the great tasks concerned with developing the zone of the trunk-line. The cadres of young personnel must be increased in number. But everything is not going smoothly in this area. In 1986, it was noted during the meeting, the staffs of the Komsomol Central Committee at construction projects in Western Siberia received more than 1,000 letters from young BAM residents, in which the authors requested that they be transferred to other

komsomol construction projects. The reason: the trunk-line's workers are not aware of the prospects for the industrial and agricultural development of the BAM and its cities and settlements.

Here one is reminded of the report delivered by M.S. Gorbachev before the June (1987) Plenum of the CPSU Central Committee, in which the problem of harmonization of social and personal interests was discussed. The search for correct ratios here is of tremendous importance for the dynamic development of the BAM zone.

"Distracted by general slogans and appeals" stated the chief of staff for the Komsomol Central Committee at BAM V. Shcherbina, "we overlooked specific fates -- of individual workers and entire collectives. Here are some examples for reflection."

The first Komsomol shock detachments settled in the settlements of Zvezdnyy, Kichera and Ikabya. Much work was carried out here and still the settlements do not hold much promise for the future. The young people came for the purpose of performing good work and living and working in the new kray. But it turns out that they are unable to apply themselves in a manner that will aid in developing the zone. Thus they are leaving.

The participants in the meeting acquainted themselves with a letter from Tynda addressed to the 20th VLKSM Congress: "As komsomols of the 1970's, we greet you delegates. Thirteen years ago, in response to appeals by the party and the 17th VLKSM, we came to build the BAM. It is here that our family has formed and our three children are growing up. We have no regrets and we take pride in the fact that we left prosperous and well organized rayons in order to blaze our own path and build our own city here in this taiga wilderness.

Everything would have been fine if only housing had been available for the initial settlers. Housing is being built and distributed according to the departmental method -- across a threshold of bureaucratic papers and without taking into account the work performed since the beginning of the construction project. This encourages temporary workers and not those who came here on a permanent basis in response to an appeal by the party. We believe that departmentalization is the principal cause of the social and ecological confusion being encountered in the construction of the BAM and in the development of the Far North.

It is to be hoped that our modern volunteers will not be subjected to the same bitter housing experience. We hope that the winds of change and restructuring will aid in solving this problem.

With a warm BAM greeting -- (signed) the young Tunevyy family.

It goes without saying that no commentary is needed here. The fate of those assigned to the shock komsomol detachments (particularly the first) cannot fail to excite one.

"We must solve this problem in the near future" stated V. Shcherbina, "an all-round "BAM and youth" program is needed, in which the social prospects in

the lives of young builders are examined. As yet we do not have such a program. The mistakes associated with the fate of the volunteers are beginning to be repeated on the AYAM [Amur-Yakutsk Highway]. They are unaware of the future prospects -- the degree to which they will be supplied with housing and work in the future. I believe that the Komsomol Central Committee acted too fast in establishing an autonomous staff for the AYAM construction project. In any case, the BAM and AYAM still have much in common and are dependent upon one another. Would it not have been better if only one staff had been created?"

V. Fedin: Here we are on your side Vladimir. The Komsomol should be closer to the youth. Indeed the construction of the BAM is far from complete. Just as in the past, the trunk-line requires heroic efforts on the part of the youth. Attached as you are to the collectives of transport builders, you remain in the forefront of activity insofar as development of the trunk-line's zone is concerned. And these builders possess the experience needed for solving all problems and for overcoming all difficulties.

"But in our case" added the chief of Glavbamstroy Ye. Basin, "great importance is attached to knowing the true prospects for development. Only this knowledge can be used for distributing resources by place and time, protecting the collectives and assigning them workloads in a manner such that they will not depart for other regions. Their knowledge and expertise are needed here, on the BAM. The strategy of a temporary worker is harmful. Another method is more effective -- retaining personnel at their jobs. This is why it is considered advisable to have the scientists prepare a long-range program for BAM for the period up to the year 2010."

Today the main administration is devoting a great amount of attention to solving the social problems. Thus the collective supported the initiative displayed by the Gorkiy workers -- to provide each family with a separate apartment. This required the construction of 24,000 well organized apartments. Roughly 300,000 square meters of housing space will be placed in operation during this current five-year plan, as much as was built during the past 12 years.

Once the personnel are being retained at their posts, we can proceed with solving the new tasks concerned with developing the BAM zone.

The participants in the business-like meeting expressed confidence that those central economic organs, ministries and departments, planning and scientific organizations and local organs of authority directly associated with the problems under discussion will draw the correct conclusions from the critical comments and implement in a more active manner the principle of all-round development for the BAM.

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VEGETABLE, POTATO CROP PROGRESS REVIEWED

Kiev SILSKI VISTI in Ukrainian 5 Jun 87 p 1

[Text] Data for the first half of this year have shown that field work with vegetables and potatoes are 3-4 weeks behind schedule. At many farms efficient organization has overcome some of the effects of adverse weather conditions, and creative agrotechnical measures have facilitated high productivity.

By June 1 potatoes have been planted on 487,200 hectares of the Ukrainian collect and state farms, approaching 97.5% of the targeted plans.

Experience workers realize that tight schedules in planting potatoes are effective only when the soil has been properly prepared with mineral and organic fertilizers. This is the practice at the Ratnivskiy state farm in Ratnivskiy Rayon, Volyn Oblast, that enabled the farmers to plant 288 hectares in 11 days. Similar efficiency prevailed at the farms in the Dnepropetrovsk, Kirovograd, Roven, Khmelnytskyi, and Charkassy oblasts where planting was completed by May 25.

However, because of inadequate control measures exercised by oblast agroindustrial committees and RAPO and lack of seeds approximately 12,000 hectares remain to be planted. This includes 5,800 hectares in Chernigov Oblast, 3,100 hectares in Sumy Oblast, 900 hectares in Poltava Oblast, 400 hectares in Ternopol Oblast, and 700 hectares in Kharkov Oblast.

In the Volyn, Rovno, Khmelnytskyi, Ternopol, Chernovtsy and a number of other oblasts 2-3 presprouting treatments have already been performed to control weeds. The necessary planting density has been maintained and weeds have been avoided.

Pest control and disease prevention are also important factors in potato farming. The most dangerous pest is the Colorado beetle. Since the winter conditions were favorable for its survival, timely treatment with insecticides have to be carried out: volaton (50% emulsion) -- 1.2 liters per hectare, durshan (40.8%) -- 1.5 liters per hectare, ftalofos (20%) -- 4 liters per hectare, ftalofos (50% slurry) -- 1.6 kg per hectare, or chlorofos (80% slurry) -- 1.5 kg per hectare.

Vegetables have been sown on 408,600 hectares, representing 96.6% of the target area. Work is proceeding efficiently at the farms of the Vinnitsa, Donetsk, Zaporozhye, Kirovograd, Crimean, Nikolayev, Odessa, Poltava, Ternopol, and Cherkassy oblasts. However, delays are being encountered in the Zhitomir, Kiev, Lvov, Rovno, Kharkov, and Chernigov oblasts.

At some farms quality is being neglected. For example, at the Lenin collective farm in the Kivertsivkiy Rayon of Volyn Oblast only 22-25,000 tomato plants per hectare have been planted rather than the required 40-47,000. At the Batkivshchyna and Inhuletskiy state farms in the Krivoy Rog Rayon of Dnepropetrovsk Oblast at some field the density of tomato plants is less than 35,000 per hectare. Late tomato planting was also the problem at the Komishanskiy state farm in Kherson Oblast.

Currently, sowing of tomatoes, pepper, and eggplants is being completed. Some farms have started sowing late cabbage.

Rains have favored intensive growth of weeds, requiring extensive utilization of workers and laborers from industrial enterprises and organizations. has developed on the cucumber, onion, parsley, dill, and carrot crops at the Ternopilskiy state farm in Ternopol Oblast. But harrowing and subsurface tilling between the rows is not being carried out because the technical skills acquired by the vegetable farmers are being utilized elsewhere.

Intensive technology is being employed this year in growing vegetable crops at 178,000 hectares. PPR-5.4 machinery is extensively used for sowing. However, at the Ternopilskiy state farm in the Ternopol Oblast, and at some other farms, the machinery is used only to break ground and not for other work, resulting in considerable manual labor.

Because of the late arrival of spring considerable concern has been expressed about supplying the cities and towns with early vegetables. The deliveries have been running behind last year by 39,000 tons. This failure is particularly acute in the Dnepropetrovsk, Donetsk, Zaporozhye, Kiev, Crimean, Odessa, and Kharkov oblasts. In the Vinnitsa, Zhitomir, Ivano-Frankovsk, Rovno, Ternopol, Khmelnytskyi, and Chernigov oblasts deliveries have been greater than for the same period in 1986.

SUGAR BEET CROP PROGRESS REVIEWED

Kiev SILSKI VISTI in Ukrainian 14 Jun 87 p 1

[Text] Because of late spring the sugar beet crops in Ukraine have been sown late. In view of these developments, the time for plant density formation has to be limited, leaving 20-25% more plants than last year.

Desirable sugar beet densities have been attained in better agrotechnical time frames in the state and collective farms of the Khmelnytskyi, Zhitomir, Ivano-Frankovsk, Volyn, Dnepropetrovsk, and Chernovtsy oblasts, and at most of the farms of the Vinnitsa, Kiev, Lvov, Nikolayev, and Cherkassy oblasts.

In most cases this was attained by sowing for a final desirable density, using mechanical and automatic thinning-out technology. At the Druzhba collective farm in the Tretiye Rayon of the Kiev Oblast the plant density on 460 hectares was determined before the second pair of true leaves appeared. Subsoil tilling between row was performed with fertilization. The fields are free of weeds.

Proper beet densities were secured at the Radyanska Ukrayina collective farm (Chernobayev Rayon, Cherkassy Oblast), as well as at the Zapovit Lenina (Yagotinskiy Rayon), Radyanska Ukrayina (Bela Tserkov Rayon), and the Chapayev (Tarashchanskiy Rayon) collective farms in the Kiiev Oblast. Finally, the same may be said of the Volodymyr Illich farm in the Krasnopil Rayon of Sumy Oblast, the Peremoha farm in the Lyubashivskiy Rayon of Odessa Oblast, and many others. The field were tilled twice at these farms and the plants fertilized.

A total of 19 scientific and productive systems have been created for securing high sugar beet yields. Particularly effective has been the Tsukrovi Buryaky system of the Bela Tserkov Scientific Breeding Station of the All-Union Scientific Research Institute of Sugar Beets. The primary farm involved in this project is Khvylya Revolyutsii in the Krasnopil Rayon of Sumy Oblast, and others. The specialists from the main institutions often visit the farms and provide invaluable consultations in the new technologies.

The performance of the system implemented in the Onufriyevskiy Rayon of the Kirvograd Oblast is less impressive. At the Illich collective farm, headed by I.I. Sokur, delays have been encountered in securing proper plant density because of reliance on manual labor. The 210 hectares are covered with weeds. The Oleksandriysk Sugar Plant and the agroindustrial complex show little concern for the harvests in this system.

Most of the collective and state farms commenced deep inter-row tillering in the first half of June, covered the weeds with soil, and fertilized the crops. In the fall many farms were unable to apply the required doses of mineral fertilizers. Hence the importance of mineral fertilizers for maintaining the crop yields. The proper procedure is to apply the mineral fertilizers before the formation of 3-4 true leaf pairs, taking into consideration the annual norm. The correct dosages are as follows (in kg/hectare): 30-40 nitrogen, 25-30 phosphorus, and 30-40 potassium. At the farms where PK fertilizer was applied in the fall, only nitrogen (30-40 kg/hectare) need to be applied.

Fertilization is particularly important when the soil moisture is low. The dose of nitrogen and potassium should not exceed 30 kg/hectare, and phosphorus should be limited to 25 kg/hectare.

More than half of the fields have been fertilized in the Khmelnytskyi and Volyn oblasts, and 30-40% of the fields in the Odessa, Rovno, Cherkassy and many other oblasts.

The crop outlook in Ukraine is as follows: the plants are well-developed at 55% of the fields, while at 37% of the fields growth is retarded, they are sparse, and underdeveloped.

These indicators are similar to those obtained last year. Nevertheless, the overall crop development lags behind last year.

To obtain desirable harvests weeds must be eliminated and pests and diseases controlled, using toxic chemicals when necessary. Inter-row tilling should be continued until harvest time.

MINISTER ON MICROBIOLOGICAL SUPPORT FOR FEED SECTOR

Moscow SELSKAYA ZHIZN in Russian 21 Jun 87 p 2

[Interview with Valeriy Alekseyevich Bykov, minister of the medical and microbiological industry, by Yuriy Yudin; date and place not given; first four paragraphs, SELSKAYA ZHIZN introduction]

[Text] This is already a generally well known example, and it is now affecting all human problems, even those that are far removed from agriculture. A well-fed 300-kg bull can gain several-odd kilograms in days and accumulate barely more than 100 g protein in its meat. In the same amount of time, however, 300 kg of nutrient yeast has time to increase its biomass 100-fold and synthesize no less than 10 tons of protein.

A hundredfold faster and more! Such are the modern capabilities of a comparatively young, but rapidly developing sector of the economy--the microbiological industry. Laboring at its enterprises, which are managed by humans, are myriads of invisible and tireless worker-microorganisms that "manufacture" great number of products that are extremely useful to us. And from what? Essentially, from nothing--from wood pulp and agricultural wastes, petrochemical residue, and other similar "raw material." For agriculture this product means, above all, highly valuable nutrient protein, essential amino acids, and a whole gamut of vitamins.

The microworld in its "work coveralls" has been delegated an important role in fulfilling the country's supply program, the acceleration of which was discussed at the 27th CPSU congress.

At the request of the editorial board, V.A. Bykov, minister of the USSR medical and microbiological industry, has agreed to talk about how the sector is accomplishing these tasks.

"Valeriy Alekseyevich, what has industry already accomplished in the way of meeting the needs of the country's agroindustrial complex, above all, in solving the "protein problem" in livestock production?"

"I do not wish to begin this interview with alusions to the sector's youth inasmuch there is no need for any explanations. It should be stressed that thanks to the fact that microbiology with its vast capabilities has never, and

I may say never for a moment, taken its sights off of the country's highest party and state leadership. The sector's tempo of development may indeed be compared with that of astronautics.

"Judge for yourself. The country's first hydrolysis plant was built in Leningrad in 1935. In 10 years an experimental batch--700 tons--of nutrient yeast had been developed. Industrial production of these yeasts began practically from scratch 12 years ago, and by the end of the current five-year-plan it has will have reached 1.2 million tons annually. The current year's plan calls for nearly a million and a half tons, and 2 1/2 million tons have been stipulated for the end of the current plan.

"But these rates, which may seem astounding at first glance, cannot and should not placate us in any way. Indeed accelerating the pace has been "established" in the sector in which we are working--livestock production. And it demands ever-increasing quantities of high-quality feed that is balanced with respect to the food elements in the rations of all types of cattle and birds.

"If one compares the way in which our enterprises are preparing to move with the way in which our partners, the livestock producers, are heading, something akin to a chronic protein shortage, on the order of 5 million tons annually, is threatening us. Our goal is to overcome this shortage in the shortest possible time. And we believe that there are ways to do this."

"But first tell our readers about this remarkable product. In his day, the fantasy writer A. Belyayev dreamed of "perpetual bread," and if you recall it even looked like yeast on the surface. How much of the future was the romantic able to foresee?"

"The analogy is not without truth in the general sense. Our industry, which uses plant material as a source of protein, thereby extracts and makes industrial use of the energy accumulated in the photosynthesis process. This source has one indisputable advantage: it will exist as long as the sun does.

"On the other hand, microbiological production has an indirect relation to bread. For example, the main types of nutrient grain--wheat, barley, corn--are generally poor in protein compared with nutrient yeasts. The only comparable grain is soy. But none of these types of plant feed compare with microbiological feed as far as their content of essential amino acids--lysine, methionine, tryptophan--is concerned. Nutrient yeast has about 10-fold more of these amino acids.

"It has been estimated that 1 ton of protein is equivalent to 5 tons of grain in the animal formula feed industry and results in 8 hundredweight of pigs, for example, or an additional 25,000 eggs.

"And one more indirect connection with bread. The production of one 100-cubic [meter] yeast-growing unit makes it possible to free 40,000 hectares of peas or twice as much barley from the feed balance."

"In this context it is evidently appropriate to recall the numerous complaints about the penetration of "chemistry" into our life, including penetration into meat and dairy products through feed. How much of this is justified Valeriy Alekseyevich?"

"As far as feed protein and other microbiological production is concerned, there are no grounds for concern. One has only to list the authoritative commissions that conduct independent tests on many generations of animals before the products are added to feed, but listing them would take too much time.

"But there is a simple logic: if we are indeed "feeding" yeast--living organisms--with "chemistry", it is the protein synthesized by the yeast that we are feeding to our cattle and birds. It should also be noted that animal formula feed contains at most five to eight percent dry yeasts, not more than one percent lysine, and insignificant fractions of a percent of vitamins. But these doses make the feed miraculous."

"So why do we still not have enough of this miraculous feed? What is holding its production back?"

"As I said in reference to the sector's youth, it is not necessary to allude to any difficulties. They cannot be dispensed with, especially in so new a sphere of activity as the "taming" of the microworld that is developing rapidly in a scientific as well as in a production and technical direction. It is precisely this rapidity that explains that certain specificity of the microbiological industry.

"About 40 large enterprises with a total design capacity of 1,680,000 tons of product annually have been launched into the production of nutrient protein. Several more production facilities, including such very large ones as those in Tomsk, Syktyvkarsk, Pavlodar, Saratov, and Orenburg, all of which are geared toward the production of yeasts and protein-vitamin additives from petroleum and gas parafins, are either being built or designed.

"However, we have already encountered the problem of the need to update our existing capacities while they are still being launched into production. Scientific-technical progress does not stand still. Solving this problem has a very important potential in increasing microbiological production."

"And how about raw material?"

"Of course there are troubles. But at this time I would like to focus the attention of agricultural workers on the following: on the one hand, they are the main users of our feeds and feed components; on the other hand, they are the suppliers of hydrolysis raw materials. Here is an example: our enterprises in the regions of the Northern Caucasus, the Ukraine, and Moldavia almost chronically fail to meet their quotas for production of nutrient protein because of a short supply of corn stalks. A half million tons of sunflower husks that could be converted into valuable feed are burned in furnaces annually. Of 10 million tons of cotton stalks in the Central Asian republics less than a third is used for local needs and not a ton goes to meet

the needs of microbiology. In addition, a half million tons of pruned grape vines and about a million tons of fruit tree branches from agriculture could be used.

"As far as wood and pulp wastes are concerned, no less than 10 million tons are destroyed each year, mainly in small forestry farms and timber management facilities, at woodworking plants, and at other production facilities. It has been estimated that a total of more than 20 million cubic meters of wood and 3.5 million tons of agricultural wastes is formed annually--an amount that could make it possible to increase the production of nutrient yeasts by more than 1 million tons annually.

"Also formed during this type of production is lignin, which, in the form of lignin briquettes, could be used for fuel that is equivalent to good birch firewood."

"But in fact a large portion of these resources are, as they say, not very accessible. Transporting husks for great distances adds a lot of overhead, and is it not senseless to build large microbiological enterprises geared toward cotton stalks or toward wastes from timber farms?"

"That is entirely true. But it is essential that they be taken and processed into feed. And here is where acceleration comes into the picture--in the mobilization and rational use of all existing reserves and resources. How to do this? We have come to the conclusion that this type of raw material must be processed on site at small enterprises. In the ministry we have created a low-waste technology for producing protein-vitamin additives (the same nutrient yeasts, but with an increased amino acid and vitamin content) from plant material and have developed technical documentation for module-type production lines based on domestic series-produced equipment. Each module is designed to produce thousands of tons of nutrient yeasts each year. These simple, economical, and highly productive enterprises could act in their own micro-raw material region and supply their production to local livestock production facilities. The profitability of these production facilities would increase thanks to the elimination of transport and long-term storage of finished production."

"But it is evidently even difficult to supply these facilities with raw material. Well what kolkhoz chairman or sovkhos director would have a headache over whether he sent a machine for husks or a pair of machines for stalks?"

"That question requires a quick solution. What do we suggest? To permit the union republics, krays, and oblasts and the ministries and departments to use for their own needs all nutrients yeasts developed from their ligneous and agricultural plant wastes at the modular enterprises as well as all the above-quota supplies of furnished raw material at already-operating enterprises. Of course, when an enterprise receives nothing in return it will stop worrying about the needs of another enterprise. Effective stimulation of suppliers is needed here.

"The obvious feasibility of such enterprises was first seen in Belorussia. We worked with the Belorussians a year ago and developed and established a joint program of supplementary measures to provide the republic's livestock production with nutrient protein and other feed additives developed by the microbiological industry.

"Without waiting for unionwide decisions, the BSSR Council of Ministers formulated their own decree obliging the republic's State Agroindustrial Committee to assist kolkhozes and sovkhozes in constructing enterprises and shops for the production of nutrient yeasts and other microbiological products based on cooperation with enterprises in the microbiological industry in centralizing economic resources and providing the financing for the necessary operations. And for its part, our ministry was obliged to give shareholders feed proportional to their percentage of participation. I think that in this respect the Belorussian prototype is a good example of real acceleration in solving the "protein problem."

"But everyone knows that in a number of rayons and oblasts, especially in rural areas, local construction organizations still do not have very extensive capabilities. It will be all the more complicated for the cooperating farms to find contractors to assemble complicated biochemical equipment. What way out of this situation do you see?"

"This has been taken into account. The point is that the agent in charge of monitoring all the operations--the ministry--assumes responsibility for everything from issuing design documentation, doing the construction, making deliveries, assembling and starting up equipment, and providing the most effective bacterial strains to the modular enterprises to training personnel. Thus farms or any other enterprises that have sufficient raw material and a desire to obtain valuable products from discarded wastes need only pay money and obtain a finished microbiological plant, as they say, in running order."

"How soon can all this become a reality?"

"The main problem is being solved now--production of the component equipment for the modules. As we have said, all the equipment is domestic and series produced, but it is uncoordinated. What we need in the system is an enterprise, let us say a Ministry of Chemical Machine Building [Minkhimmash] that could supply finished plants.

"We already have two finished "packages" of contractor's sketches for such autonomous production lines for the production of nutrient yeasts. We are awaiting the first buyers."

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CROP PROTECTION MEASURES, FORECASTS BELORUSSIA

Weather, Crop Reports

Minsk SELSKAYA GAZETA in Russian 28 Jun 87 p 3

[Belta report: "Weather and Crops"]

[Text] Unstable weather has been observed in Belorussia in the last few days. The average daily air temperature fluctuates from 11 degrees in the west to 18 degrees in the republic's south-east. Rain, sometimes heavy, is falling everywhere. It is accompanied by thunderstorms and in some places, by hail.

On most of the republic's territory agrometeorological conditions for the growth and development of agricultural crops are satisfactory, but in the eastern and central regions of Vitebsk Oblast, owing to frequent and abundant rain, bad. Blooming is now observed on the main areas of winter grain crops. In southern regions grain is formed in winter rye. Here and there in Gomel and Brest oblasts the beginning of milky grain ripeness is noted in it on dates close to average long-term ones. At this time last year the milky ripeness of winter rye was observed on most of the republic's territory. The height of rye plants is 110 to 160 cm and here and there, 170 to 180. A total of 25 to 32 developed spikelets have been formed in its ear.

Ear formation in barley crops is observed almost everywhere in the southern half and in some places in the northern one; panicle heading, in oats in Brest and Gomel oblasts. Stem growth in spring crops continues on the remaining territory. Inflorescence is formed in flax sown during the first 10-day period of May. Flax blooms here and there in the south. In most regions of the republic's southern half florescence is formed in potatoes. In some places in the south blooming has begun in early ripening varieties.

Minsk SELSKAYA GAZETA in Russian 12 Jun 87 p 3

[Article by Ye. Kolonitskaya, head of the republic forecast and diagnosis laboratory, and N. Kharchenko, head of the forecast laboratory at the Belorussian Scientific Research Institute of Plant Protection: "Forecast of the Appearance and Spread of Pests and Diseases of Agricultural Plants for the Second 10-Day Period of June 1987"]

[Text] The humid, moderately warm weather promotes the further spread of diseases in grain crops on the republic's territory. Powdery mildew has now been detected on 86 percent of the areas sown with winter rye. In a number of cases the development of this disease is critical (the bloom occupies 2 or 3 percent of the foliar surface of the third leaf). During the early period of winter crop sowing in the republic's southern regions the time for fungicide application has passed, because rye blooming has begun. In the remaining regions it is necessary to continue treatments with due regard for the advisability for each specific field.

During the second 10-day period of June the spread of powdery mildew is also expected in spring wheat crops. Control measures and treatment time are the same as for winter crops.

Net blotch has been detected in 80 percent of the barley crops. On most crops the development of this disease is weak, except for plots of susceptible varieties ("roland," "favorite," and "zazerskiy-85"). Treatments are advisable with due regard for the degree of disease development with the recommended preparations.

The harmful activity of blue fleas continues in spring rape seedlings, as well as of the rape curculio on plots, where budding is noted (Gomel and Brest oblasts). During the second 10-day period of June seedlings of cruciferous fodder crops will enter the budding phase in the republic's central and, in part, northern regions. These seedlings should be kept under control, because with the arrival of warm weather the harmfulness of fleas will intensify. Chemical treatments against the rape curculio will also be effective against the rape sawfly. The beginning of the latter's harmful activity will be noted during the second 10-day period of June.

The mangold fly will present danger to sugar beet crops on the territory of the entire republic. The hatching and harmful activity of larvae have already begun in southern regions and the flight and oviposition of pests are going on in central and northern regions. The fly can do especially great damage to crops sown late. In the control of this fly prompt chemical treatments are very important, especially against the pest's ovipositions, because treatments against hatched larvae are not very effective.

Forecast of Plant Pests, Diseases

Minsk SELSKAYA GAZETA in Russian 3 Jul 87 p 3

[Article by Ye. Kolonitskaya, head of the republic forecast and diagnosis laboratory, and M. Kharchenko, head of the forecast laboratory at the Belorussian Scientific Research Institute of Plant Protection: "Forecast of Appearance and Spread of Pests and Diseases of Agricultural Plants for the First 10-Day Period of July 1987"]

[Text] The cool weather continues to restrain the development of the Colorado beetle and determines the selective nature of chemical field treatments in most of the republic. In southern BSSR regions on early potato seedlings they began during the third 10-day period of June. The main dates for protecting the harvest of this crop against the pest in most regions of Brest and Gomel oblasts, as well as in southern regions of Mogilev, Minsk, and Grodno oblasts, will be during the first and the beginning of the second 10-day period of July and on the remaining territory, most probably, during the second 10-day period of this month.

Focal fungal and bacterial potato diseases were detected in potato crops in Minsk, Grodno, Gomel, and Mogilev oblasts. Macrosporiosis was noted in potato crops in the Polesk zone of Gomel Oblast. Its stronger development is observed in Kalinkovichskiy Rayon in the "vyatka" variety. In Klimovichskiy, Minskiy, Uzdenskiy, Stolbtsovskiy, and other rayons in potato crops there are from 1 to 4 percent of shrubs affected with wire stem and other bacterial diseases.

In order to lower potato morbidity, it is necessary to continue spraying crops at the seedling phase (height of 15 to 20 cm) with copper microdoses. Plots, where phytophthora is detected, as well as areas sown with early- and medium-ripening varieties, which have entered the budding phase, should be treated with arserid (2.5 kg per hectare) with repeated treatments after 2 weeks with ridomil (0.8 kg per hectare) in a mixture with cuprozan and zineb (2 kg per hectare). At experimental potato growing bases it is necessary to organize the phytocleaning of elite crops at the budding phase.

The flight and oviposition of the cabbage moth are noted on cabbage plantations. The activity of diamond-back moth caterpillars continues. On some plots in the southern zone its population reaches the threshold. The hatching of caterpillars of the diamond-back moth and increase in its harmfulness are expected during the first 10-day period of July.

In central and northern zones in the control of the cabbage moth it will also be advisable to release an egg-eater--the Trichogrammatidae family--and one of the microbiological preparations--dendrobacillin, lepidocide, bitoxibacillin, or entobacterin.

The mangold fly and, focally (on peat bogs), the beet carrion beetle continue to damage sugar beet crops in Vitebsk Oblast and in northern regions of the central zone. When the pest population reaches the threshold, insecticide treatments should be carried out.

The leaf hopper and the aphid present danger to carrot crops. When the population of these pests is high, carrot crops not used for bunch commodities should be treated with malathion.

Spots and bacterioses appeared on cucumbers on open ground. In order to lower the harmfulness of these diseases, it is necessary to treat crops with the following fungicides: arserid (2.5 to 3.3 kg per hectare), cuprozan (chomicin) (2.4 to 3.2 kg per hectare), polycarbazin and zineb (2.4 kg per hectare), and 1-percent Bordeaux liquid. The second treatment will be needed after 10 to 12 days and in case of arserid application, after 15 days.

Potato Nematode Control

Minsk SELSKAYA GAZETA in Russian 6 May 87 p 2

[Letter from A. Kurdun, village of Osipovshchina, Stolbtsovskiy Rayon, and answer by V. Semenov, chief of the State Plant Quarantine Inspectorate of the USSR Gosagroprom in the BSSR, and L. Krishtofik, senior helminthological agronomist: "How To Conquer the Nematode?"]

[Text] I am writing for the following reason: Our private plot and many other such plots in the village began to produce bad potatoes. We were advised to change crops, but after 1 year everything was repeated again. People say that some worm harms potatoes and that there are new varieties, which are not afraid of it. Please explain this to us through the newspaper.

A. Kurdun, village of Osipovshchina, Stolbtsovskiy Rayon

The potato nematode is the causative agent of a dangerous disease in potatoes and in plants of the nightshade family. This parasite does the greatest damage on private plots during continuous potato cultivation. Foci of nematodes increase annually and their appearance is also noted on crop rotation fields, which is dangerous primarily for elite seed growing and specialized farms.

Antinematode crop rotation for the purpose of lowering the infection level is now the only practical measure of controlling "globoderoz" on private plots. However, even in this case certain requirements must be met. It is advisable not to place potatoes on heavily infected plots. A variety should not be grown on one field for more than 5 years in succession. It is also important to see to it that the variety of disease resistant potatoes is pure.

Work on uncovering and breeding nematode resistant varieties was begun in our country in 1954.

In the BSSR in 1986 nematode resistant varieties were reproduced on 850 kolkhozes and sovkhoses on more than 8,000 hectares. Nevertheless, the republic acutely needs this category of varieties. Thus, the introduction of nematode resistant potato varieties is an indispensable condition for a successful sanitation of existing foci. It is necessary to see to it that owners of private plots receive such varieties at their disposal in the very near future.

11439

CSO: 1824/330

COORDINATION OF RETAIL TRADE IN FACTORY OUTLETS NEEDED

Moscow KHOZYAYSTVO I PRAVO in Russian No 2, Feb 87 pp 59-62

[Article by M. Amigud, laboratory chief of VNIIElegpishchemash [All-Union Scientific-Research Institute of Economics of the USSR Ministry of Machine Building for Light and Food Industry and Household Appliances] and N. Gorbunov, candidate of legal sciences: "Company Trade"]

[Text] The telephone on the administrator's table at the Kiev firm's Orbita showroom and store hardly stopped ringing. And now once again, the girl in a regular blue suit says in a somewhat tired voice on answering its ring that the place on the list of the person calling to acquire an Elektron Ts-280D television has not yet been reached, but that he should not worry--the store would surely inform him on a postal card of the day of purchase. A citizen standing close by, evidently from out of town, perplexedly asks the administrator:

"What's the problem? These televisions are literally to be found in every store trading in entertainment items and in department stores. The House of Radio is quite close by and there you practically collide with these televisions, all passageways are crammed with them. But people say they are not so hot when it comes to quality. How could there be a waiting list for these television sets?"

We too, who belong to the USSR Ministry of Machine Building for Light and Food Industry and Household Appliances, and have come here on a work assignment, would like to learn the company's "secret." The fact is that the sector's enterprises putting out complex electrical machines and instruments for personal use must quite soon start creating a network of company stores. During the 12th Five-Year Plan, there are scheduled to be more than 20 of them in the sector.

The trip to Kiev was preceded by a study of the normative legal basis already existing by that time for the creation and operation of company stores.

It should be said that a certain experience in company trade already exists in the country, attesting to its great possibilities of satisfying customers' demand for many goods.

The creation of company stores was legally drawn up as far back as 8 August 1960 by the decree of the CPSU Central Committee and the USSR Council of Ministers "On Measures for Further Improving Trade." It was determined that company stores should be created for the purpose of studying buyers' demand for individual consumer goods and generalizing trade proposals on product assortment. However, because of the fact that such stores were subordinated to local organs, the materials on study of demand were essentially generalized not by industry but by wholesale depots which were used by company stores as their support centers, and it was not possible to create a system of direct feedback from stores to production. A basically new approach to the organization of operation of company stores was incorporated in the decree of the CPSU Central Committee and the USSR Council of Measures "On Measures for Further Developing Trade,"⁽¹⁾ where it was stipulated that company trade should be within the organization of industrial ministries.

A directive for creating a network of company stores in industrial ministries is contained in the Comprehensive Program for Developing the Production of Consumer Goods and the Service Sphere for 1986-2000. The need for creating such stores is due to the advisability of studying demand and growth of the population's needs.

The chief normative act determining at this time the organization and manner of their operation and the planning process is the Model Statute on Company Stores of Industrial Ministries and Departments, a new edition of which was approved in August 1986 by an order of the USSR Ministry of Trade.

Normative acts of the USSR Ministry of Trade, regulating general questions of operation of trade enterprises and regulating the manner of trade in individual types of goods, are obligatory for company stores. Reference is made first of all to the Basic Rules of Store Operation and the Rules of Trade for Individual Types of Goods.

Aside from study of the normative base, preparatory work on opening of company stores within the organization of the USSR Ministry of Machine Building for Light and Food Industry and Household Appliances consisted in familiarization with the experience of their operation as a whole by a number of sectors of industry, where complex goods are being constructively produced and where a network of company stores has already been created.

This applies, for example, to television and radio apparatuses.

We know that quite frequently in transportation the most sensitive parts and components of television and radio equipment get out of order. Before offering an item for purchase to a customer, they must again be carefully checked and adjusted. This is specified by the Rules of Retail Trade in Radio Equipment. Unfortunately, retail trade organizations of the system of the USSR Ministry of Trade, consumer cooperatives and various departmental workers' supply departments do this work far from everywhere. At stores with the Orbita or Radiotekhnika company brand organized within the system of the USSR Ministry of Communications Equipment Industry and the USSR Ministry of Radio Industry, equipment is sold only after careful checking out by the store of items and their presale preparation.

The complex of the indicated operations can be carried out only at large specialized stores with the necessary auxiliary rooms and appropriate equipment. Such stores and showrooms for the sale of radio equipment have been set up in many large cities. A network of company stores for the sale of motion-picture apparatus and certain kinds of electrical household equipment and other products has been established in different sectors. Toward the end of 1985, the Zenit store was opened in Moscow with a staff of about 250 persons. In terms of development of technology of trade and standards of service, this store may be called a model demonstration for trade enterprises.

The experience of forming setting up and operating the Orbita company showroom and store in the city of Lvov is of special interest. The store sells 10 varieties of televisions, 18 brands of tape recorders, 9 of radio-tape recorder combinations, 22 brands of transistor radios, 11 brands of amplifiers, 19 brands of electric record players and electric turntables and about 50 kinds of household equipment.

In becoming familiar with the operation of the store, it was found that priority was established here for the acquisition of certain brands of televisions. And this is at a time when the same television sets are to be found in free trade at all of the city's department stores and other stores. It is not hard to guess what the reasons for the company store's popularity are.

We know when goods are available in sufficiency. They are acquired principally there where the range of services is wider and purchase concerns are fewer. Televisions, tape recorders and other apparatus are sold at Orbita on the basis of models which are shown by salesmen-radio mechanics. Buyers may consult on all questions connected with the technical level of the products and also conditions of their sale, installation and and operation. In all cases, Orbita subjects television sets, which are enclosed in a heat insulation casing, to 8 hours of trial operation. This permits "burning out" of unreliable parts, which in the first months of a television set's operation, could go out of order. In this way every item before it gets to a customer undergoes very strict quality control, in the process of which the store's service personnel for the purpose of eliminating defects may open up a television set and replace an unreliable part or an entire assembly (module).

Orbita within a time period agreed upon with the buyer provides free delivery of television sets to owners, adjustment and regulation of the products (at place of installation). For this, radio service personnel have special equipment and a set of instruments and tools. Complaints of the owner are eliminated. He receives a set that has been tested in all respects. If nonetheless the television operates poorly, another set is delivered to his house. Ordinarily, stores do not deliver or install televisions at customers' homes.

Increasing the responsibility of specialists taking care of presale preparation of televisions is abetted by able organization of their work--a brigade of service workers, in carrying out presale servicing, on the following day installs the items at customers' houses, meeting "person to person" with those for whom the sets were made ready. If in the course of a

month a notification is received from the owner of poor operation of the television, it is not the guaranteed-service employee who goes to the location but the radio mechanic who prepared and adjusted the set for the customer.

The repair time of sets at a regular shop has been reduced more than twofold compared to repair time under conditions of personal-service enterprises. For the time of the repair work, the owner is installed a set in operating condition from replacement stock.

All this has been responsible for the fact that in 1985 approximately as many Elektron third-generation sets were sold as were sold in all of the other stores in the city taken together. The results of operation of the company store attest to the high economic effectiveness of the new trade methods. The store, operating on full cost accounting, overfulfilled the 1985 profit plan by 288,000 rubles. Favorable results were attained in the first half of 1986. A significant result of the store's operation was a sharp reduction in the number of cases of purchased radio equipment returned by owners. Recently the Orbita company store was made into a trade and technical center. The further development of its engineering subdivisions carrying out presale preparation, technical installation and guaranteed servicing of sold items will still further boost the standards of servicing buyers. These objectives will also be abetted by certain changes in the work organization of the center's specialists. The repair-service work is organized on the brigade method. Labor is paid in inverse proportion: the smaller the number of repair jobs, the higher the pay and the higher the remuneration. This spurs mechanics to independently perform the necessary preventive examination and adjustment of television sets. In this way, a closed cycle is provided in which the manufacturer of radiotechnical equipment himself organizes its advertising and sale, carries out guarantee servicing and directly participates in working with customers.

In company stores, the study and analysis of buyer demand for individual types of goods are well organized. Thus at the Muzhskiye Sorochnki stores, official instructions to salesmen and consultants include the duty of systematically analyzing demand for goods. The respective information is turned over to supplier enterprises. These data are generalized and are then used in working out specifications for contracts. The plant conveyor is constantly tuned to the wave of buyer demand. The store's information serves as the basis for the formation of an assortment plan for production of the goods. The same kind of working partnership distinguishes the work of company stores and enterprises putting out radio and television sets. Here a system has been established of holding exhibition sales and buyer conferences. Each month information on consumer demand for proffered new items and on demand for comparable products produced by kindred enterprises received from the stores helps suppliers to constantly renew their products and to raise their technical level.

At the same time, together with examples of successful operation of company stores, there are also others. It should be admitted that so far company trade does not exert due economic influence on production. One of the reasons for this is that only an insignificant portion of goods is sold through company stores. Thus, even within the system of the USSR Ministry of Light Industry, where the indicated form of trade has long traditions and been most

developed, products sold through company stores add up to 250 million rubles out of 64 billion rubles' worth delivered to the market. A total of only 115 company stores has been organized, whereas within the organization of Bulgaria's light industry, for example, the figure is tenfold larger. But existing stores could operate more successfully if a number of difficulties did not exist arising from defects in planning and incomplete provision of trade organizations with stocks. The situation should change with expansion of the rights of USSR industrial ministries possessing a trade network to whom, beginning in 1987, USSR Gosplan is allotting market stocks, and a plan of retail goods turnover is being established.

Some of them unfortunately use far from fully rightful means, particularly for assortment renewal and improvement of goods quality.

Thus, in the delivery contracts concluded by the same Orbita trade and technical center, the specific nature of the work of the buyer (the company store) is not shown. The contracts lack conditions regarding delivery to the center of new (developed) items. They do not specify the obligations of the buyer for conducting systematic accounting of the population's demand, implementing advertising measures, using progressive forms of trade and others.

Similar defects in legal regulation of deliveries fully apply to the practice of concluding contracts with the Zenit company store. The practice is preferable of establishing contractual relationships within the organization of the USSR Ministry of Light Industry where agreements are drawn up for delivery to the sector's enterprises of goods in accordance with the ministry-approved Model Contract for Delivery, Forming and Study of Demand and Advertising of Goods of Light-Industry by Company Stores of the Sector.

In contracts for the servicing and repair of items sold through centers (company stores), the consideration is not always taken into account that the parties belong to the organization of the same ministry. Here it would be useful to secure the agreement reached by manufacturers and trade and technical centers with more effective fulfillment of obligations connected with provision of components and parts for repair and performance of repair work and for creation of a centralized single stockpile of spare parts and others. Some company stores totally lack associated products (and, of course, contracts for their delivery) produced by other sectors of industry. Naturally this is not a business such as selling, for example, cameras where you also have to sell films and paper. This would be convenient for customers, which means profitable for the stores and the sector as a whole.

The experience acquired in some sectors of setting up and operating company stores would undoubtedly be useful in preparing within the organization of the USSR Ministry of Machine Building for Light and Food Industry and Household Appliances a normative and legal base for the creation of such stores. By taking this experience into account, drafts were worked out of the Model Statute on a Company Store with a Service Center Belonging to a Production Association as a Production Unit, the Model Contract Between the Production Association (Enterprise) and a Company Store of the Sector for Delivery, Forming and Study of Demand and Advertising of Household Machines and

Equipment, a Model Contract for Servicing and Repair by Trade and Technical Centers (of the Sector) of Household Machines and Equipment during the Period of Guarantee of their Operation, Rules for Conducting Presale Servicing of Household Machines and Equipment Instruments at Company Stores (Trade and Technical Centers) of the Sector and several other documents. In working out the indicated local normative acts, the question was raised of the usefulness of selecting this or that form of legal position for company stores and their administrative structure. Within the organizations of the USSR Ministry of Communications Equipment Industry, the USSR Ministry of Radio Industry, the USSR Ministry of Defense Industry and the Ministry of Electronics Industry, special administrative organs were created for company stores (management of company trade, study of demand and advertising and the like). The size of the administrative apparatus in these organs adds up to 60-70 persons. At the USSR Ministry of Machine Building for Light and Food Industry and Household Appliances, it was decided to take a different route--to create company stores basically within production associations and enterprises. At the same time, it was not considered feasible to assign them the rights of juridical entities.

For enterprises engaged in the production of technically complex products, in addition to traditional spheres of their functional activity, special importance is attached to such new directions as scientifically based organization of study of demand, activation of market activity, improvement of forms of after-sale servicing of sold items. In this connection, there is a growing need to look for new forms of organization of production and its integration with sales activity and development of a network of trade and industrial enterprises.

They can become powerful trade and technical centers combining production and the sale of complex-design products with their pre-sale and guarantee servicing. Further development of such centers in our view should result in a basically new variety of integration of industrial enterprises, trade and servicing organs within the framework of a single complex. Existing statutes on the production association (combine) and enterprise do not provide for this.

In the USSR Law on the Socialist Enterprise (Association) there should be shown the diversity of forms of operation of production collectives, especially the possibility of creating within their framework a single system: production--trade--guaranteed and technical servicing of consumer products.

FOOTNOTE

1. PRAVDA, 19 July 1977.

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7697

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KISSR OFFICIAL ON TRADE SECTOR DEVELOPMENTS

Moscow KOMMERCHESKIY VESTNIK in Russian No 10, May 87 pp 2-5

[Interview with A. Dzhumagulov, chairman of the Kirghiz SSR Council of Ministers, by A. Sedov: "Restructuring Dictates--Scientific and Technical Progress and Goods Production"; date and place not specified; first paragraph is source introduction]

[Text] More than a year and a half have elapsed since the adoption of the Comprehensive Program of Development of Production of Consumer Goods and the Service Sphere for 1986-2000. Aimed at further raising the people's well-being, it outlined concrete ways that should be followed in developing the production of goods in popular demand and trade. The January (1987) CPSU Central-Committee Plenum provided a new impetus for what was designated. To link together fulfillment of the program with restructuring is the essence of the economic strategy of everyone on whom the production of high-quality goods meeting fashion and the demand of the population for goods and exemplary service for the Soviet people depends.

[Dzhumagulov's initial statement] The Comprehensive Program of Development of Production of Consumer Goods and the Service Sphere for 1986-2000, worked out with the participation of local soviets of people's deputies, ministries, departments and enterprises of industry and adopted by the government of Kirghiz SSR, occupies a central place in the accomplishment of key tasks connected with restructuring.

Our very first goal is accelerated development of sectors producing goods for the people. Its attainment is based on all-out introduction into production and trade the achievements of scientific and technical progress. This will make it possible to radically improve the quality of production output, to significantly expand its assortment and to improve service for customers. It was decided to primarily secure growth of production output in the republic through intensification of production on the basis of better organization of management, more effective use of capacity, modernization and retooling of enterprises, improvement of production processes, use of modern types of raw and other materials, reduction of material intensiveness of products, economical use of resources and the introduction of waste-free technologies.

Let me name the chief milestones toward which we are striving. Compared to 1985, we have to increase by 1990 the production volume of nonfood goods by a minimum factor of 1.4 and to produce them in an amount of 2.6 billion rubles. These include 1.28 billion rubles in light industry and cultural, personal-service and household goods in the amount of 500 million rubles. It is planned to put into operation capacities for the production of 40 million square meters of nonwoven materials, to build branches for two sewing and footwear factories and a leather plant and to produce in 1990 a total of 189.8 million square meters of fabrics, 26 million pieces of knitwear items and 12 million pairs of shoes. Of course, these figures will grow significantly by the year 2000.

The production of fabrics of all kinds, nonwoven materials, carpeting items, sewn and fur items, shoes and leather products is undergoing wide-scale development in the republic. The output of washing machines, tape recorders, furniture, toys, dishes, construction materials, tools and gardening implements, household chemistry items, garden cottages and much else is growing significantly.

[Question] Apas Dzhumagulovich, what are the initial results of this work? No doubt there are successes, but difficulties could not have been entirely avoided?

[Answer] In implementing the measures of the Comprehensive Program, the republic's workers in 1986 fulfilled the prescribed plan for production of goods for the population by 103.3 percent, that is, by more than 86 million rubles' worth of goods produced above plan. Here it should be said that we decided to consider the targets of the Comprehensive Program as minimal. Appropriate decisions were made and work was carried out which made it possible last year for ministries, departments and enterprises of union subordination to mobilize reserves and to produce additional goods solely of the nonfood group in the amount of 31.6 million rubles. At this time, an additional target for the production of consumer goods was set for up to 1990 and amounts to more than 1 billion rubles.

As we know, the close union of industry and trade is a guarantee of successful work by both sides. Consequently, restructuring is going on in planning of production output based on the population's real demand. The basis of elaboration of production plans by associations and enterprises is the trade order made up while taking into account the results of wholesale fairs. Commercial work has improved in the wholesale branch and retail trade organizations. Performance discipline has improved. Wholesale depots of the republic's Ministry of Trade and the Kirghiz SSR Union of Consumer Cooperatives have begun to more rigidly apply economic sanctions to industry for nonfulfillment of goods delivery in conformity with concluded contracts. As a result of the adopted measures, trade turnover in 1986 less the sale of alcoholic drinks amounted to 2,921,000 million rubles, that is 213 million rubles more than in 1985. The republic has never had such growth.

Trade and industrial personnel have started to approach more responsibly the selection of goods introduced into production. At the republic's Exhibition of National Economic Achievements, a permanently ongoing exhibition

of goods proposed for introduction has been organized. Here showing also is arranged for the edification of slipshod enterprises of poor-quality goods not in demand by the population. In October of last year, a republic scientific-practical conference was held on questions of cooperation of trade and industry for expanding assortment and improving the quality of goods. Tasks were posed for practically the first time of an integrated balancing of the development of sectors producing goods for the population and overcoming of the generated gap between demand and supply. Common efforts were applied to working out a system of measures for boosting the economic interest and responsibility of ministries and departments in the solution of these questions. Results of goods delivery are regularly examined at the republic's Council of Ministers. As a result of purposeful work, market stocks of manufactured and food goods have been fully utilized.

For 1986-1990, a total of 1,076 long-term contracts with industry for goods delivery and 56 cooperation contracts were concluded. A 5-year agreement is in effect between the respective enterprises of the ministries of light industry and trade in which the assortment and volume of goods output, whose need by the population has so far not been satisfied, as well as for goods with the N index, and according to contract prices are concretized. Even last year this work produced substantial results. The production of goods of improved quality with N or D indexes grew respectively by 3.7 percent and 3.3-fold of last year's level. The enterprises of the ministries of light and local industry produced in 1986 products of improved quality in the amount of 197 million rubles. This also helped to put into operation new capacities at the Osh Sewing Factory, the Frunze Knitwear Association and the Weaving Factory imeni 8 Mart of the republic's Ministry of Local Industry.

However, the indicators attained last year and the existing relations between industry and trade cannot satisfy us. They still far from fully meet the needs of the time. In the production and delivery of manufactured goods, necessary regularity is lacking, and cases occur of serious miscalculations, resulting in the creation of an excess of some and a shortage of other goods. We have to do a great deal of work in this direction.

Now concerning reserves and those difficulties which have been occurring in the course of implementation of the Comprehensive Program. We achieved successes there where the most immediate reserves were put into operation--improvement of work organization and strengthening of discipline. But this process is not proceeding smoothly everywhere, and there are still many problems.

As yet not all of the republic's enterprises have been fulfilling plans for production of consumer goods, although their total number in 1986 compared to 1985 was significantly reduced. Thirty-eight enterprises out of 258 had a shortfall in their production of consumer goods in the amount of 22 million rubles. They included 8 enterprises of union subordination, 7 of local industry, 6 of Gosagroprom, 5 of light industry, 5 of the Ministry of Motor Transport and Highways and others. As a result, the republic's population failed to receive 4.5 million rubles' worth of shoes, more than 5 million rubles' worth of garments, 1.1 million rubles' worth of woolen fabrics, 100,000 rubles worth of tools and gardening implements, 470,000 rubles' worth

of small-mechanization equipment for animal husbandry and fodder production, and 330,000 rubles' worth of garden cottages. Today the population's demand is not being satisfied in the republic for goods of 150 designations, which have to be imported from other economic regions of the country. The shortage is particularly acutely felt with respect to footwear, leather goods, goods of cultural, personal-service, household, sports and tourist designation and household chemistry items.

In speaking of reserves, it is necessary to speak of the following problem. For a long time accessory items were not manufactured in the republic for products of light industry. Lack of specialized enterprises contributed substantial difficulties to the introduction of new goods. Now on orders of the Council of Ministers, a number of enterprises of industry have undertaken to introduce production of accessories according to patterns provided by the republic's Ministry of Light Industry.

We also face tasks that are not easy to solve. While existing problems of modernization and retooling of enterprises, especially of light industry, although difficult, still do progress, unfortunately problems connected with providing sewing enterprises with modern looms and textile enterprises with dyes, textile auxiliary substances and chemical raw materials are standing still.

The use by enterprises of the republic's Ministry of Local Industry of local resources and waste for the production of consumer goods remains a problem. The relative share of additional sources in the total amount of produced goods made from them does not exceed 20 percent. At the same time, our republic is rich in mineral resources. It is only necessary to find a use for them.

Another reserve for increasing production of goods is work at home. So far we have succeeded in attracting fewer than 10,000 persons to work at home, although the republic, according to data of the Kirghiz SSR State Committee for Labor, has more than 46,000 able-bodied people not employed for various reasons in public production. With organization of the proper conditions, I have in mind the creation of a broad network of work-at-home affiliates. This portion of the population could make a substantial contribution to fulfillment of the targets of the Comprehensive Program. This is a big reserve and, of course, we shall do everything possible to attract people into socially useful work activity.

Finally, production capacities at enterprises of republic ministries and departments producing articles for the people are being used far from fully or with due return. The blame for this lies with the unsatisfactorily utilized capacity of machines and equipment. Hence the low return on investment. But measures are being taken. The work conducted at the present time on increasing the work-shift coefficient of enterprises for the purpose of releasing equipment for the production of consumer goods and for its maximum load should give good results.

In conformity with the tasks of the Comprehensive Program, it is planned to sharply increase in the republic the manufacture of products of cultural, personal-service and household designation at enterprises of union

subordination. The work will be helped by modernization of existing shops and the construction of a number of specialized affiliates.

For the purpose of additional procurement of commodity resources and effective utilization of industrial-production wastes, substandard materials and products suitable for construction and repair work and for the creative activities of young technicians and other economic needs, contracts were concluded last year by trade organizations of the republic with 14 enterprises of industry and two specialized "do it yourself" stores were opened in the cities of Frunze and Osh. Five specialized departments are in operation. This year similar stores will be opened in the cities of Takmak, Kara-Balta and Dzhahalal-Abad. And although this work is actually only beginning, the first results are promising. Republic ministries and departments, enterprises of union subordination producing goods make a selection and compile lists of wastes and substandard materials and in agreement with trade organizations send them for sale.

[Question] Today, when the population's demand and trade orders increasingly shape the production of consumer goods, the output of better quality products, expansion of their assortment, a higher technical and esthetic level and reliability of operation directly depend on the position of trade organizations. To what extent do trade and production contacts correspond to the needs of the time?

[Answer] Relationships, of course, change. The changeover from the principle of goods allocation to free wholesale trade by them on the basis of contracts concluded at fairs sharply increased the responsibility of trade. Planned assortment of goods began to be better organized, taking into consideration changes in market conditions. The structure of retail trade is changing qualitatively, especially in rural localities. For example, in the system of the Kirghiz Union of Consumer Cooperatives, sales of nonfood goods increased by more than 10 percent. The share of these goods in the total trade volume grew from 58.3 to 66.5 percent. These indicators characterize the positive changes in study of demand and satisfaction of the needs of rural inhabitants.

For the purpose of improving service to the population and raising the efficiency and quality of operation of trade enterprises, the material and technical trade and public-dining base is being developed on the basis of introduction of achievements of scientific and technical progress. At the same time, the main attention in wholesale trade is concentrated on the creation of large highly mechanized warehouses, refrigeration facilities and vegetable and potato storage. In addition to modernization and reequipping of existing ones, construction is going on of new wholesale enterprises with employment in them of progressive technology for warehousing and goods storage. Here are a few examples. In 1986, a 125-ton refrigerator was introduced in the city of Osh. This year it is planned to put into operation the Kirgizkulttorga warehouse depot with a floorspace of 5,600 square meters. Refrigerators were modernized with the installation of more efficient equipment in the city of Kok-Yangak and Kyzyl-Kiya, and trade technological equipment was replaced for a total sum of 2.65 million rubles.

In retail trade, the main emphasis is placed on boosting the social and economic effectiveness of trade enterprises' work and expansion of the network of modern department stores and specialized stores. At the same time, the network of small retail enterprises is growing for the sale of goods of everyday demand. We are actively introducing forms of service convenient for the population, and we mechanize and automate trade processes. Last year, stores with a total trade area of 7,780 square meters were opened in the republic. This made it possible to bring trade areas up to 137 square meters per 1000 inhabitants.

Despite present positive results, the republic's population is still insufficiently provided with trade space. Consequently, this year we shall augment the network of retail trade by another 14,900 square meters. Construction has started on a department store with 4,500 square meters in the city of Przhhevalsk. Trade centers will be built with consumer-cooperative funds in the villages of Frunzenskoye, At-Bashi and Ivanovo-Alekseyevka and department stores in the villages of Burgundy and Voenno-Antonovka with a trade area of more than 4,800 square meters. A total of about 28 million rubles of capital investment has been allotted for these purposes.

In addition to this, we are developing self-service trade in every way. Today, more than 64 percent of the food products are sold in this way in state and cooperative trade. For the manufactured group, this figure has reached 69 percent.

However, the necessary effectiveness has as yet not been attained in use of the advantages of this progressive form of trade as goods are being insufficiently produced in packed and packaged form. Progressive mechanized processes of packing food products at special packing sections and departments of stores are slow in being introduced. Work is proceeding inadequately in providing goods using of container equipment. For rectification of the situation, we are implementing measures making it possible to increase the output of goods in packed and packaged form and to introduce a progressive technology of goods movement. Today, the system of the republic's Ministry of Trade has changed over to container equipment for 48 enterprises.

A few words on product quality. We know that once having solved the problem of quality it will be possible to also solve the problem of quantity. Such an approach to goods production has become the standard of all our work. It starts at the stage of commercial deals between trade and industry. Additional republic wholesale fairs have been held in the republic for textile goods and furniture where industrial enterprises have worked up and proposed a new assortment of goods which was bought by trade while taking demand into account. Thus trade organizations of the Kirghiz Union of Consumer Cooperatives rejected certain goods proposed by industry and purchased only sewn, knitwear and other goods needed by the population.

Work is being speeded up on revising assortment as a function of demand and sales. Last year, replacement was carried out in the amount of 5 million rubles of the assortment of clothing, footwear, fabrics and furniture by items needed by the population.

For the purpose of timely renewal of goods in accordance with the requirements of style and demand, trade specialists are taking part in the work of artistic councils of industrial associations and enterprises. On the proposal of trade, 119 varieties of goods were declined and removed from production. This is how items not in demand at the Tash-Kumyr Sewing Factory were removed from production and the output of children's assortment of sewn goods was set up. There are many such examples.

The work experience of the republic's House of Models deserves attention. Last year it concluded cooperation agreements with related enterprises. They worked out more than a dozen and a half samples of new-structure fabrics and designs from which artist modelers created models of clothing.

Working up new models of improved quality and assortment is done while taking into account introduction into industry of high-production equipment, making it possible to produce stylish and diversified sewn goods. These include in particular 12-needle and pleating machines and automatic embroidery machines. At enterprises of industry, groups of artist modelers were created who work on the model--design principle, which has made it possible to reduce the time from development to introduction into production by almost 1.5-fold. Socialist competition of outstanding quality start-to-finish brigades was organized for the entire production process by enterprises of trade and industry. Sixty-one brigades now work in this way.

The work of the collective of the Ay-Churek Central Department Store in the capital of the republic may be cited as a successful example of cooperation of trade organizations with industry. This practice has made it possible to improve the quality of production output and to expand the assortment of goods specifically needed for customers, which exerts an influence on increasing trade turnover. The benefit to both sides is obvious.

A sizable result of retaining counter personnel and boosting labor productivity was shown by the wide-scale introduction of brigade forms of labor organization using the labor-participation coefficient and goods prices in pay of labor. Today 70 percent of the workers in city trade are united into brigades and 50 percent of the piece-rate workers in retail trade are paid by means of goods prices.

Special attention is paid to developing the production of new goods aimed not at the "average" buyer but at different categories of people. Of the more than 800 models of knitwear and sewn items planned for development, an adequate amount of models has been provided for young people, teenagers and persons of middle and elderly age.

A necessary condition of fuller provision of the population with needed goods is the development of company trade. Five company stores are already operating in the republic, including Zhanylyk, Kyyal, Obuv, Komfort and Molodezhnaya Moda in Frunze, fabric stores in Osh, and by the end of the 5-year plan another 7 such stores will have been added.

In shoe and knitwear production at the production sewing associations imeni 1 May and imeni VLKSM and in shoe and knitwear production as well as in leather-

goods production of the Leather Plant imeni Frunze, the 40 Let Oktyabrya Factory and the republic House of Models, flows of small series have been created.

But there still remains to this day the acute question of the quality of many products. Last year, enterprises producing consumer goods were imposed 110 economic sanctions. The value of products excluded from reports on the fulfillment of the sales plan amounted to more than 3 million rubles and the sum total of profit extracted into the budget [izyataya v byudzheth] was 153,000 rubles. There are also prohibitions against delivery of individual types of goods. The biggest number of these negative manifestations have occurred at enterprises of the Ministry of Light Industry, the Ministry of Local Industry and the system of Kirghiz Union of Consumer Cooperatives.

Due to the violation of standards, technical conditions and other deficiencies in production, unmarketable and long-kept goods worth 23 million rubles have accumulated. In order to raise the quality of goods being produced and to expand their assortment, a good deal of effort is still required.

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CSO: 1827/97

DECREE FOR BETTERING CONDITIONS OF KOLKHOZ MARKETS

Moscow SOBRANIYE POSTANOVLENIY PRAVITELSTVA SOYUZA SOVETSKIKH SOTSIALISTICHESKIKH RESPUBLIK (OTDEL PERVIY) in Russian No 20, 1987 pp 387-393

[Resolution of the CPSU Central Committee and the USSR Council of Ministers On Measures for Improving the Work of Kolkhoz Markets, 26 Feb 87]

[Text] The CPSU Central Committee and the USSR Council of Ministers note that, in solving the problem posed by the 27th CPSU Congress with regard to fully satisfying the needs of Soviet people for various food products, a substantial role has been assigned to the kolkhoz markets. The new economic-management conditions in the country's agroindustrial complex, along with the expansion of the rights of kolkhozes, sovkhoses, and other agricultural enterprises to sell farm produce to consumer-cooperative organizations and in kolkhoz markets, has created additional possibilities for selling such produce in cities and industrial centers, as well as for improving the supply of foodstuffs to the population.

However, the operational organization of kolkhoz markets in cities and industrial centers does not measure up to present-day requirements. Ispolkoms of the local Soviets of People's Deputies have manifested inertia and inefficiency in solving the problems of increasing farm produce sales in the markets. Many kolkhoz markets are poorly situated; they lack refrigeration capacities, storage space, means of mechanization, transport, hotels, and public-dining enterprises. But, at the same time, capital investments allocated for building markets and situating them efficiently are not being fully assimilated.

Kolkhozes, sovkhoses, and other agricultural enterprises have made practically no use of the right to sell in the kolkhoz markets, with credit toward fulfilling the price plan in accordance with agreements, a portion of the planned procurement amount of potatoes, vegetables, cucurbits [melon-type crops], fruits and berries, table grapes, as well as above-plan farm produce. Consumer-cooperative organizations have not rendered them the necessary aid in this matter.

The Central Union of Consumer Cooperatives, republic, kray, and oblast consumer unions have failed to establish close economic ties between consumer-cooperative organizations and kolkhozes, sovkhoses, and other agricultural

enterprises, or with citizens possessing their own private, auxiliary farms, or with orchard associations. In a number of localities, even if a sufficient quantity of farm produce is available, it does not make it to the kolkhoz markets; it is used to feed livestock or is lost through spoilage.

The interchange of farm produce between individual krays, oblasts, and republics has not been organized in a satisfactory manner. The influence of cooperative trade on reducing the market price level remains significant.

Party, soviet, and economic organs in the localities have underestimated the role of trade in the kolkhoz markets as an important additional source for improving supplies delivered to the population living in cities and industrial centers of potatoes, vegetables, fruits, meat, dairy, and other products. They have not manifested the necessary concern for improving the operation of the kolkhoz markets, developing their material and technical base, nor strengthening the market personnel with employees who show initiative, who have a good knowledge of the business at hand, and who are politically mature.

In order to further develop and improve the work of the kolkhoz markets and satisfy the population's requirements for food products more fully, the CPSU Central Committee and the USSR Council of Ministers hereby decree the following:

1. The Councils of Ministers of the union and autonomous republics, executive committees of the kray and oblast Soviets of People's Deputies, the Central Union of Consumer Cooperatives, USSR Gosagroprom, and the USSR Ministry of Trade in their practical activity shall pay particular attention to substantially improving the supplying of the population, in the first place, with food products through the system of kolkhoz markets. During the years 1987-1990 they are to carry out measures for radically improving the operation of kolkhoz markets, bearing in mind the following factors:

significantly increase the delivery of farm produce to the kolkhoz markets, improve trade organization, render the necessary assistance to kolkhozes, sovkhoses, and other agricultural enterprises and citizens in selling farm produce;

provide for the establishment of company-type stores of kolkhozes, sovkhoses, other agricultural enterprises, agroindustrial associations and committees, as well as consumer-cooperative organizations, in order to sell farm produce, develop a material and technical base for the markets, and supply them with up-to-date equipment, stock, and other technical means. Particular attention shall be paid to expanding the construction of refrigeration facilities for the temporary placement and storage of highly perishable produce, as well as hotels, public-dining enterprises, and those providing everyday services to the population in order to create the necessary conditions for the rest and feeding of citizens trading in the markets;

organize the extensive sale in kolkhoz markets of industrial items in mass demand, garden items, vegetable and cucurbit seeds, planting materials for fruit-and-berry crops, mineral fertilizers, and a wide assortment of other items.

2. It is deemed feasible to transfer, employing the established procedure, kolkhoz markets from under the jurisdiction of the USSR Ministry of Trade and the union-republic ministries of housing and municipal services to the jurisdiction of consumer-cooperative organizations.

Transfer of the kolkhoz markets shall be done without reimbursement.

The USSR Ministry of Trade, Central Union of Consumer Cooperatives, and the union-republic Councils of Ministers shall implement this measure during the years 1987-1988.

There is a favorable attitude toward the proposal by the CPSU Moscow Gorkom and the Moscow Gorispolkom regarding the transfer of Moscow's city markets to the jurisdiction of the Central Union of Consumer Cooperatives.

The Councils of Ministers of the union and autonomous republics, executive committees of the kray, oblast, city, and rayon Soviets of People's Deputies, together with the consumer-cooperative organizations, will bear full responsibility for managing the kolkhoz markets, providing the necessary conditions for their operation, and strengthening their material and technical base. The work of the kolkhoz markets and their being well-stocked with the necessary items must be at the center of attention for the local administrative organs.

3. The Central Union of Consumer Cooperatives, republic, kray, and oblast consumer unions, as well as the ispolkoms of the local Soviets of People's Deputies shall do the following:

significantly improve the work of the consumer cooperatives with regard to purchasing agricultural items produced by kolkhozes, sovkhoses, and other agricultural enterprises, on citizens' private, auxiliary farms and orchard associations, as well as with regard to expanding the services being rendered to the population and farms in connection with their selling the above-mentioned items being brought to the markets;

ensure that the kolkhoz-market funds are utilized for the intended purpose, that the one-time collection, payment for services, and other market earnings must be completely used for construction, expansion, and for good arrangement, as well as for covering the operating expenses of the kolkhoz markets;

adopt measures to improve and develop contractual relations among consumer-cooperative organizations and citizens having private, auxiliary farms for producing and procuring potatoes, vegetables, fruits, berries, and melon and other agricultural produce; and to monitor the fulfillment of contracts;

facilitate the development of a network of procurement points -- especially in remote rayons -- and the creation at the kolkhoz markets of cost-accounting enterprises of a consumer cooperative for procurement and trade of agricultural produce.

[They resolve] to recommend that kolkhozes, sovkhoses and other agricultural enterprises realize the quantity of potatoes, vegetables, melons, fruits and

berries, table grapes and other agricultural production which they, in accordance with point 12 of the 20 March 1986 Resolution No 358 (SOBRANIYE POSTANOVLENIY SSSR, 1986 No 17, p 90) of the CPSU Central Committee and Council of Ministers, stipulated for sale to kolkhoz markets through consumer cooperative organizations.

4. The Councils of Ministers of the union and autonomous republics, executive committees of the kray and oblast Councils of People's Deputies and the Central Union of Consumer Cooperatives shall do the following:

a) within the five-year and one-year plans, provide for the necessary contractual operations and material resources to construct new kolkhoz markets, as well as to modernize and improve the layout of existing ones in sufficient numbers to ensure complete utilization of the Central Union of Consumer Cooperatives' funds being allocated for this purpose.

In drawing up its plan for contractual operations with regard to the republic-level economy, USSR Gosplan shall take into account the increasing volume of construction-and-installation work for this purpose;

b) adopt measures for construction, by consumer-cooperative organizations and agricultural enterprises (organizations) at kolkhoz markets, of their own stores, stalls, and stands.

Draw upon funds of industrial enterprises (associations) and local budgets for constructing, modernizing, and improving the layout of kolkhoz markets;

c) provide for allocating motor-vehicle transport for delivery to the kolkhoz markets farm items produced by kolkhozes, sovkhoses, and other agricultural enterprises, as well as on citizens' private, auxiliary farms and orchard associations, and being shipped for sale in the markets. Examine the question of creating specialized motor-vehicle columns for servicing the above-mentioned markets.

It is recommended that kolkhozes, sovkhoses, and other agricultural enterprises render aid to kolkhoz members, sovkhos workers, and other citizens in delivering their farm produce to kolhoz markets;

d) adopt measures to prevent the imposition of unjustified limitations on the shipping out by citizens beyond the borders of an oblast, kray, or republic of farm produce raised by them on their farmstead plots or obtained by way of payments in kind for labor performed;

e) determine on an annual basis the amounts of farm produce earmarked for reciprocal exchange on a contractual basis among republics, krays, and oblasts through the consumer-cooperative organizations;

f) provide, beginning in 1987, in the plans for the use of farm produce the amounts of potatoes, vegetables, cucubrits, fruits and berries, as well as table grapes to be sent, in accordance with the decree of the CPSU Central Committee and the USSR Council of Ministers, dated 20 March 1986, No 358, by kolkhozes, sovkhoses, and other agricultural enterprises for sale to consumer-

cooperative organizations and in the kolkhoz markets, taking into account guaranteeing the unconditional fulfillment of the assigned delivery quotas of these products to the All-Union stocks.

5. (Paragraph not cited because it contains a one-time assignment.)

6. The Council of Ministers of the union republics, USSR Gosagroprom, the Central Union of Consumer Cooperatives, and the USSR Ministry of Trade shall ensure the following:

holding fairs on a regular basis in order to sell farm produce, with the participation therein of kolkhozes, sovkhozes, other enterprises of the agroindustrial complex, state and cooperative trade enterprises, making extensive use of the local press, radio, and television to inform the public about their preparations, time periods, locations, and the assortment of products intended for sale;

active dissemination of progressive operating experience of the kolkhoz markets in organizing purchases, delivery, and sale of farm produce.

7. (Paragraph not cited because it contains a one-time assignment.)

8. USSR Gosagroprom, as well as those USSR ministries and departments whose enterprises process farm produce shall provide for the processing at their subdepartmental enterprises, upon application from the consumer-cooperative enterprise (on contributory principles) of food items from raw materials purchased from the population, on kolkhozes, sovkhozes, and other agricultural enterprises at prices in accordance with contractual agreements.

9. USSR Gosstroy and the USSR Ministry of Installation and Special Construction Work shall develop during the years 1987-1988 standard designs for market-type trade pavilions, to be made of lightweight metal structural components, having trading areas of 150, 300, 600, 900, and 1500 square meters, outfitted with the necessary technical equipment for receiving, storing, transporting, and selling farm produce.

USSR Gosplan, USSR Gosstroy, and USSR Gossnab, in conjunction with the USSR Ministry of Installation and Special Construction Work, shall determine the amounts of construction work for 1988-1990 and to the year 2000 of market-type trade pavilions made of lightweight metal structural components, as well as the production volumes for the above-indicated structural components necessary for this construction.

10. USSR Gosagroprom, the Central Union of Consumer Cooperatives, and the USSR State Board of Arbitration shall develop, taking into consideration the experience accumulated in several union republics, krays, and oblasts, and approve within a three-month deadline, a standardized contract agreement for the sale of farm produce by farms at kolkhoz markets, having provided therein responsibility of the parties concerned for any failure to observe the obligations assumed.

11. The Central Union of Consumer Cooperatives, USSR Ministry of Trade, USSR Gosplan, and USSR Ministry of Justice, with the participation of the concerned USSR ministries and departments and the Councils of Ministers of the union republics, shall present to the USSR Council of Ministers proposals concerning the enactment into law of the changes stemming from the present decree.

12. The CPSU Central Committee and Councils of Ministers of the union republics, the party kraykoms, obkoms, gorkoms, and ispolkoms of the local Soviets of People's Deputies shall render the kolkhoz markets everyday, active assistance, enhance their role in providing the population with food products, drawing more extensively into goods turnover farm items produced on kolkhozes, sovkhoses, and other agricultural enterprises, as well as on citizens' private, auxiliary farms and orchard associations; they shall also render aid to consumer-cooperative organizations in developing a material and technical base for kolkhoz markets, strengthening their technical personnel who show initiative, increasing the good organizational quality, discipline, and responsibility of the kolkhoz market employees for the matter entrusted to them.

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The CPSU Central Committee and USSR Council of Ministers express their firm conviction that the party, soviet, and economic organs in the localities will unleash widescale organizational work directed at radically improving the activity of kolkhoz markets, and will increase their role in improving the supply of food products to the population.

Secretary, CPSU Central Committee M. Gorbachev
Chairman, USSR Soviet of Ministers N. Ryzhkov

Moscow, Kremlin, 26 Feb 1987 No 265

2384

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PILEUP OF UNWANTED GOODS AT FACTORY OUTLETS HIT

Moscow EKONOMICHESKAYA GAZETA in Russian No 19, May 87 p 19

[Article by Yu. Shatalov: "Under the 'Designer' Label -- a Factory Outlet Offers Mediocre Goods"; first paragraph is source introduction]

[Text] The Moda showroom and store, which last year sold 7.5 million rubles' worth of merchandise, is one of the most popular stores in the city of Gorky. The store creates a favorable impression with its colorful decor and friendliness of young salespeople. And with its variety of goods.

In contradistinction to many other commercial enterprises, the Moda has direct ties to the largest garment associations in the oblast: the Voskhod, producing men's clothing; the Mayak, specializing in women's and children's apparel; and other light industry enterprises. The merchandise sold in this store is not the kind usually offered in stores. It is a part of experimental lots carrying the "D" code offered at special prices, and higher quality clothing identified by the "N" code, which is also priced higher than usual.

However, some of the supposedly prestigious goods are difficult to sell. Could the price have anything to do with this?

"If merchandise is indeed beautiful and fashionable, it is soon sold out; we cannot keep up with demand for it," said store manager M. Balakay.

The problem here is not one of price. This has more to do with the fact that not all items being offered at a marked up price are actually includable under the "New Item" or "Designer" labels. In February, 1986, for example, the Mayak association delivered 270 women's winter coats. A whole year passed and they still were not sold. To understand why, all you have to do is look at the tag: it is a 1985 design. The same fate befell women's raincoats designed in 1985 and made in May of 1986.

The picture is even worse in the case of men's apparel. In June of 1986 the Voskhod people made 80 spring/fall coats for the Moda. Only seven pieces from this lot were sold by the beginning of February. There is nothing strange here: the design went back as far as 1984. Customers also walk past "designer" winter coats and raincoats designed in 1984.

A curious sidelight: Even though a large part of goods carrying the "N" and "D" codes sat in the store like a dead weight, Moda salespeople did not reduce the price to normal (3 months after they were first offered, as required by instructions), hoping that maybe someone will be foolish enough to buy last year's "new items".

However, time has shown that these hopes are not justified. Obsolete merchandise must be disposed of sooner or later. Last year, for example, the store disposed of slow-moving goods in the amount of 1,132,000 rubles, selling the items at deep discount. The prices were reduced, it is true, but much later than they should have been.

The store's collective is now defending customers' interests at meetings of artistic and technical councils, of which it is a full member. It does not hesitate to return poor merchandise. However, outmodedness is not the only cause of customer aversion to the "N" code merchandise.

"Look here," said store assistant manager O. Belopolskaya. "Many items are plagued by manufacturing defects, i.e., the garment makers proper, not the material suppliers or designers, are to blame."

In a word, all the faults are traceable to the garment maker. On the way to the Voskhod association, I recalled a talk at a regional trade union conference given by Ye. Dvornikova, a leading sewing operator of the enterprise. When she stated that association women grieve over the quality of men's clothing, a sound of disbelief ran through the hall. Not only because the townspeople are well acquainted with the enterprise's products. It had more to do with the fact that the delegates were aware of the management troubles the enterprise was suffering. Only half the 1986 profit plan was accomplished. The collective's "kitty" was 10 million rubles short. The sewing operators were unsuccessful in their task of bringing in additional profits from sales of designer and higher quality merchandise, even though the amount was not large -- 815,000 rubles. Real profits last year from sales of "D" and "N" goods amounted to only 5.5 percent.

The new management conditions, under which the success of an enterprise is judged not by its satisfaction of predetermined production volumes, but by profit from sales of consumer goods, make it incumbent upon the association to exercise facility in improved forms of relationships with material and accessory suppliers, designers, and workers in the trade, and exhibit maximum creativity and initiative.

A quick glance seems to indicate that the new approaches are successful. An artistic and technical council has been organized and endowed with extensive powers. Twenty agreements on creative collaboration have been made with collectives in related enterprises -- materials and accessory suppliers. Direct ties to factory outlets have been set up. Sewing operators and designers now enjoy closer contacts. The concept of multi-skill quality brigades has been advanced.

However, in essence practically nothing has changed. Production lines are still operating on the basis of static programs which have little or no concern for

customer interests. The following example is typical. The last time the association made men's jackets was in 1984. But today.... The following remark was made by O. Kvasova, selections department chief at the wholesale ' se:

"Our orders for jackets, even of the most common design, are stubbornly refused by Voskhod."

Why?

Association general director M. Chebotarev was extremely candid in his reply:

"The average price of a wool winter coat is 170 rubles, while the jacket sells for 50. Which is more profitable? Winter coats or suits cost more, of course."

This conversation makes a person wonder. The management is staking its reputation on expensive coats and suits, hoping to improve its financial situation. But the association suffers chronic slowness. The explanation for this paradox is extremely simple: attempting to live and work in an atmosphere of imaginary well-being, without concern for people's interests. This causes a loss all around: in the trade, customers, and sales receipts. The wholesale base refused to buy a large lot of summer/fall coats for the 1987 offering, valued at about 300,000 rubles. Also, men's suits of the more expensive kind are collecting dust in warehouses.

Rapid changes from one type of product to another are associated with additional expenditures and require the services of highly qualified pattern cutters and sewing operators. An accompanying requirement is personnel stability. But how is this to be attained if the association is plagued with social problems? The administration and responsible organizations are not devoting sufficient energy to resolving these tasks. The association has the means, but cannot find a contractor.

Finally, a word about relationships with material and accessory suppliers. Fines and agreements relating to creative cooperation which are not reinforced by legal, economic, and organizational measures have been ineffective. Based on preliminary estimates, for the 1987 production plan the association will be short 20,000 square meters of synthetic fur, the same amount of synthetic trim materials, 60,000 square meters of raincoat fabric, 2.5 million plastic buttons, 400,000 plastic fasteners, and 200,000 buttons of various kinds. The absence of any one of these categories will negate the efforts of designers, cutters, and sewing operators, destroying their initiative and dampening creativity.

We became concerned that the sewing operators were not the only ones to blame for product quality when we visited the enterprise experimental shop. There we were shown new designs of suits, jackets, coats, raincoats and other items. Shop workers explained that a French firm produces similar designs, using 12 types of materials and accessories. The Voskhod aktiv has only four.

This situation is also troubling to the Mayak garment association collective, which plans to sell in 1987 43 million rubles' worth of higher quality and designer items. An acute shortage of various accessories can frustrate good intentions.

"At one time we worked together with the Gorky factory Trud , which produces metal accessories," said Mayak chief economist A. Smirnova. "But we had to terminate our relationship. The factory demanded that we place extremely large orders, but our requirement was for only relatively small lots."

If a person thinks about the low quality of some items the garment makers produce, he is likely to come to the conclusion that the planning proper is at fault. Assume that the production line of the Voskhod association head enterprise is slated to manufacture 200,000 items per year, while in the program handed down "from above" the figure 216 appears. It is not hard to imagine the quality of consumer goods that will be made by the enterprise if the slogan "Accomplish the Plan Any Way You Can" remains in force.

The lack of economically effective management methods is telling to the Mayak association collective proper. The First Russian Industrial Garment Association of the RSFSR Minlegprom [Ministry of Light Industry] obligated the garment makers to increase their output of designer and improved quality items by 7 million rubles, in spite of the fact that they had already planned to supply the trade with these goods in an amount 1.5 times greater than last year's. To cope with the task, the Mayak must make all types and designs of women's apparel under the "N" and "D" codes, with this clothing accounting for 40 percent of total production. Is this task realistic? We think not. Because the problem of making high quality materials and accessories available to the garment makers is still unsolved.

Hence the requirement for organizing specialized manufacturing and rapid re-tooling for highly varied accessories. A solution to this task is slow in coming, since it cannot be supported by outmoded labor organization and production methods. No system exists for providing an economic incentive to related industries with respect to end results of work done by the garment enterprises.

This in large measure is why there is no flexible "feedback": enterprises producing accessories exhibit little initiative in systematic renewal of their products, as if they were not aware of fashion demands. So the easy way out is to go from year to year stamping out the same fasteners, buttons, and other articles, without concern over whether they are modern, of good quality, or attractive. Also, they do not want to claim their share of responsibility for the quality of these items, which we all buy in stores.

RSFSR Growth in Factory
Outlets Under Industrial
Ministries and Departments

	<u>As of 1 January</u>		
	1981	1986	1987
Total number of stores	313	323	345
USSR Minlegprom	32	50	62
USSR Minavtoprom	13	20	19
USSR Minpribor	3	4	4
USSR Minpromsvyaz	4	7	8
USSR Minradioprom	3	4	4
USSR Minelektronprom	4	12	15
USSR Ministroymaterialov	2	3	3
USSR Gosagroprom		42	42
USSR Minrybkhoz	200	146	145
USSR Ministry of Culture	11	15	15

Not a single factory outlet was opened in Leningrad, Kursk, and Amur oblasts; and the Mordovian, Chuvash, Daghestan, Tuva, and Yakutsk Autonomous Soviet Socialist Republics.

(Above table compiled from data furnished by the RSFSR CSA)

13005

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STROYBANK OFFICIALS AFFIRM IMPROVEMENTS IN HOUSING

Moscow LITERATURNAYA GAZETA in Russian 1 Apr 87 p 11

[Article by S. Korneyev, chief, Capital Construction Division, USSR Stroybank, and V. Loginov, deputy chief, Housing and Civil Construction Division, USSR Stroybank: "A Separate Apartment: Calculations and Miscalculations"; first three paragraphs are LITERATURNAYA GAZETA introduction; for earlier 24 Sep 86 LITERATURNAYA GAZETA article see JPRS USSR REPORT: NATIONAL ECONOMY JPRS-UNE-87-010, 6 Feb 87 pp 9-18]

[Text] Physicians assert that people who live in old, poorly laid-out apartment houses suffer from neuralgia, neuritis, and pneumonia 2-2.5 times more frequently than those who live in new apartment houses. Improvement in housing conditions has a particularly beneficial effect on children's health and development. A second child is born twice as frequently to families occupying well laid-out apartments than in the case with others.

We are building a great deal of housing. And yet improvement in housing conditions continues to be considered the most important thing among various material goods and services. Research studies conducted in diverse regions of the country have shown that many persons rank the obtaining of an apartment much higher than a wage hike, a widening assortment of consumer goods, or development of the service field. Thus, it is understandable why publication of items in LITERATURNAYA GAZETA about ways to solve the country's housing problem, as outlined by the 27th CPSU Congress, have evoked an outburst of letters from our readers-with new examples and new questions. A particularly large number of questions arose following the interview by LITERATURNAYA GAZETA commentator L. VELIKANOVA with D. KHOZHAYEV, a deputy division chief in USSR Gosplan--the interview entitled "Every Family Should Have A Separate Apartment" (LITERATURNAYA GAZETA, 24 September 1986).

We published some of them on 14 January 1987 under the rubric "A Program of Items Appearing in LITERATURNAYA GAZETA, as Outlined by Our Readers." Today certain questions outlined by this program are examined by high-ranking officials of USSR Stroybank.

More Meters, but Less Housing

In planning and building housing, the following two indicators are used: introduction of the total area of the houses and the average estimated cost per square meter. But if in our analysis we use not these total data and consider not the area per person, as is done now, but rather the number of apartments in relation to the number of families, then the following extremely unfavorable trends begin to manifest themselves: the growth rate in the volumes of housing is slowing down, while its cost is increasing.

Particularly alarming is the fact that capital investments are constantly increasing, but the introduction of apartments is decreasing year after year. During the 11th Five-Year Plan almost three times as much money was spent on housing construction as during the Seventh Five-Year Plan, but only 10 million apartments were put into operation, and this was 16 percent less than during the years 1960-1965. In 1985 less than 2 million apartments were built--the lowest indicator during the last 25 years (in 1960 this figure was 2.5 million, while in 1970 it was 2.3 million).

It turns out that we are spending more and more money every year, and we are also producing more and more square meters, but we are obtaining fewer and fewer apartments.

In most of the fraternal socialist countries the situation is just the opposite. During the 1970's many of them adopted long-term housing programs for the future, designed, as a rule, for a 15-year period. The culminating phase of their fulfillment will occur during the present five-year plan. As a result, the final solution of the housing problem is foreseen in the GDR and the CSSR as early as 1990, and in several other countries--by the year 2000. Moreover, the introduction of apartments in all the CEMA countries (except for the USSR and Romania) is constantly increasing. During the years 1961-1985 the number of apartments built in the CSSR, PPR, HPR, and PRB increased in comparison with the 1961-1965 period by 19-54 percent, while in the GDR it grew by a factor of 2.5.

As a consequence of this, our country has gradually lost its leading position in the world in the field of housing construction. Whereas in 1960 the USSR witnessed the introduction of 121 apartments per 10,000 inhabitants, in 1970 this figure had declined to 93, in 1980--to 75, and in 1985--to 72 apartments. Even in Moscow the introduction of housing in 1986 declined by more than 20 percent, as compared with 1980.

One of the most important reasons for the situation which has evolved consists, in our opinion, of the serious shortcomings in planning housing construction. The planning and cost indicators which we have at the present time are intermediate in their nature; they are keyed to gross volume rather than being aimed at attaining the end result--the acquisition of separate apartments by families.

It has long been recognized that we cannot plan the output of motor vehicles or tractors by kilograms. Nor can we calculate their production cost by any one part. Nevertheless, in housing construction the plan is drawn up in

precisely this way. The indicators are completely divorced from reality. They fail to take into account the fact that it is not simply persons who live in society but families: young ones and old ones; with children and without children; consisting of one or several generations; and also consisting of single persons (those whom one of LITERATURNAYA GAZETA'S readers termed "monofamilies"). Furthermore, families live not on some sort of standardized square meters, with the aid of which the planning and statistical organs, as well as clients and contractors, carry out their calculations, but rather in specific houses, apartments, and rooms.

We must make the transition from the intermediate indicators--the introduction and cost per square meter--to the final indicator showing the end result--the introduction and cost of apartments.

Just as in industry the use of gross-volume indicators entails an increase in the weight and cost of the product being turned out, so too in housing construction keying on "gross volume" brings about an increase in apartments having several rooms (three or more) as well as making them more expensive.

Nor is this all by chance. The construction of large apartments is profitable both for the contracting organizations (they artificially improve their operational indicators) and for the planning organs. The more multi-room apartments there are in a house, the less kitchens, bathrooms, tiles, and sanitary equipment is needed. This is conducive to a seeming reduction in the cost per square meter of housing, although there is an increase in the cost of the apartment as a whole! Is this a paradox? No, it is just another "little trick" of planning. And here is the result: in 1975 multi-room apartments accounted for 37 percent of the total in new apartment houses, in 1980 this figure was 40 percent, and in 1984 it was 42 percent.

For the Family!

The demographers' calculations and forecasts indicate that in our country, as in all the developed countries, the birth rate is declining, a break-up of families is occurring, and the number of its members is becoming less. Over the last 25 years there has been a marked trend toward a relative increase in the number of single persons (from 22 to 30 million persons). This trend will be maintained to the year 2000.

By that time the country's population will amount to slightly more than 300 million persons, while the number of families (taking single persons into account) will be approximately 110 million. It is obvious that we will need an equal number of separate apartments or individual houses. Moreover, it should be noted that the growth rate for the number of families is outrunning the growth rate for the population.

This is likewise confirmed by the following data. During the last 10 years 2.6-2.8 million marriages have taken place every year. During the course of the first year a child is born to 80 percent of the young families. But a second child appears only in one out of every four or five families, and that not until four or five years after the first one. Moreover, 930-950,000 divorces occur in the country every year, and these are also conducive to an

increase in the number of small families. As a result, while there was an absolute increase in the number of families during the years 1959-1978, the proportion of families consisting of two or three persons increased to 79 percent for the country as a whole, including an increase to 97 percent in the RSFSR.

In accordance with the existing norms, families with a number of members ranging from one to three persons should be granted one- or two-room apartments. Therefore, the proportion of such apartments in new apartment houses should also be steadily increasing and now should comprise 70-75 percent of the total. But in fact, as we have already noted, just the opposite has occurred: fewer and fewer small apartments are being introduced.

Thus, the policy of increasing the number of large apartments has obviously come into conflict with the evolving demographic situation.

We Need One-Room Apartments

Since the "wrong" apartments are being built, they have to be lived in, even though this means violating the existing norms.

As shown by the results of selective check-ups conducted during the years 1976-1980 and then during the period 1982-1984 in certain regions, about half of the families, when housing conditions were improved, obtained apartments which had either more or less area than they were entitled to. Families consisting of two persons obtained full-sized, two- and sometimes even three-room apartments. At the same time, many families consisting of three or four persons were placed in one- or two-room apartments.

What conclusion should be drawn? There can be only one: unless we change the keying on a large number of multi-room apartments, the housing problem will not be fully solved, even by putting into operation the two billion square meters of housing provided for by the Basic Directions for the Economic and Social Development of the USSR. But if we build apartments strictly in accordance with the evolving demographic situation, their introduction will increase by 12-15 percent. This would allow us to provide separate housing for all who need it.

We are surprised at the stance taken by certain important specialists who declare, even in LITERATURNAYA GAZETA, that the building of one- and two-room apartments should be reduced or even halted altogether. They say that the norms from granting housing will soon be increased, and then there will be simply nobody to occupy such apartments. It will not do to over-embellish the situation which has evolved. On the contrary, we need to calculate everything very carefully and make the transition as rapidly as possible in planning and accounting from the indicators of cost and the introduction of total area in square meters to calculations by apartments. And, when we truly become so rich that we can sharply increase the norms for granting, then it will be not at all complicated to convert small apartments into large ones by connecting two or three; all you have to do is cut a door through the wall. It would be worse if, because of a housing shortage, some separate apartments had to be converted into communal ones. There is still a great need.

Furthermore, we need to accelerate the taking of an All-Union inventory of the existing housing stocks, to precisely determine how people are living, and to tie this data in with the plans for building new houses. Such a tie-in should lead to the creation of a comprehensive housing program, analogous to those for food, fuel, and energy.

Profitable or Unprofitable

The following question is important: in what kinds of houses should our apartments be placed? The cost per square meter of housing in an apartment house 10 or more stories high is 10-12 percent higher than in a five-story house. Because of this factor, buildings with few stories have been predominant in our housing construction. In 1975 the proportion of five-story houses in the housing stocks amounted to 49 percent, while 10-story and higher buildings accounted for only eight percent.

Furthermore, for some years now the construction of houses more than nine stories high has been completely prohibited (except for Moscow, Leningrad, and Kiev), and permission can be granted only in exceptional cases by the Councils of Ministers of the union republics (for each building individually).

And cities began to sprawl out over our immense country. And this is profitable! It's a good thing that there seems to be so much land....

Here too, however, the profit is fictitious, connected with an imperfectly applied method. In calculating housing costs, only the outlays relating directly to the house (including the intra-apartment networks, roads, etc.) are taken into account. Attention is not paid to expenditures for preparing the site, installing the inter-apartment networks, urban transport, demolition of existing housing stocks, as well as the most important thing--the cost of the land.

It turns out that it makes no difference where a house is built--in an already inhabited rayon, having the necessary engineering preparation and network, or on the outskirts of a city, where gullies have to be filled in, swamps drained, roads laid out, urban transport begun, etc. All these outlays are accounted for under another sector--"municipal services," and, therefore, the cost of a square meter of housing will be the same, no matter where it is built. Nor does it make any difference what kind of house is built on a vacant section of land: 4 or 16 stories high.

Such a system leads to an uneconomical squandering of good land areas--the country's chief national wealth.

By increasing the proportion of apartment houses 9-16 stories high by an average of 10 percent, we could save about 100,000 hectares of valuable urban land prior to the year 2000. Since in the case of a nine-story building project the "expenditure" for an area is 50-55 percent less than in the case of a five-story one, then outlays for laying roads, networks, and starting up urban transport would be reduced by the same proportion.

The direct economic effect by virtue of this factor alone amounts to approximately 15 billion rubles--money which could be used to build an additional 1.2 million apartments.

We must remove all limitations on high-rise housing construction, and completely abandon during the next few years the construction of four- and five-story houses, which are inconvenient due to the lack of elevators and trash-disposal chutes and which, moreover, are likewise the most expensive when all outlays are taken into account.

Underground Garages

If we stipulate that we have no motor vehicles, then the garage problem would interest us solely as academic specialists.

But during the last 10 years the number of passenger cars has tripled in this country. Most of these cars are parked outdoors around the apartment houses or, at best, in an outdoor parking place.

During the next 10-15 years the owners of cars will increase several times over, and this will lead to the necessity of using more area for parking places and garages. But there is another solution: to adopt a decree as rapidly as possible regarding the mandatory construction, at the same time as the apartment houses are built, of garages and storage facilities in the underground portions of the buildings. Existing structural components of zero cycles allow us to do this without additional outlays. Furthermore, the inhabitants themselves will pay for the construction of the garages. On the whole, such a solution of the garage problem is conducive to saving state funds and will allow us to build more than 2 million additional apartments.

At the same time, it would also be possible to construct sports and club areas, workshops, etc., together with the apartment houses; they would function on the principles of self-support [samookupayemost]. For example, a design for a high-rise apartment house with several underground stories is fully realizable and economically feasible. All that is needed is for the USSR Gosstroy to introduce into the appropriate normative documents a directive concerning the mandatory use of underground space beneath buildings being constructed (including industrial buildings) for the population's needs.

There are also quite a few other ways to reduce costs and speed up housing construction: let's say, for example, finishing the apartments upon the orders and using the funds of the future occupants, creation of a service for a single client (nowadays apartment houses in various cities are built by dozens of different enterprises and organizations squandering materials and machinery, as well as prolonging the deadline for putting the houses into operation).

All these problems must be solved as quickly as possible in order to finally firm up the comprehensive "Housing Program" without mistakes or inaccuracies.

2384

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HOUSING DISTRIBUTION SITUATION IN MOSCOW CLARIFIED

Moscow NEDELYA in Russian No 25, 22-28 Jun 87 p 7

[Interview with Konstantin Sergeyevich Danilin, chief, Mosgorispolkom Housing Accounts and Distribution Administration, and Lev Mikhaylovich Bychkov, first deputy chief of this administration, by Vladislav Starchevskiy: "Allocate Apartments Equitably: Moscow Puts Housing Distribution in Order"; date and place not given; first three paragraphs are NEDELYA introduction]

[Text] Moscow has always been filled with rumors. And at regular intervals it is simply over-flowing with rumors on the topic of "housing." It has been said, for example, that there are "thousands" of vacated apartments which the rayispolkoms are "holding onto," keeping them as a reserve supply for "their own people." Or that any day now a new rent system will be introduced, and for "extras" it will be necessary to pay many times the usual amounts.

What they are talking about is Moscow. But indeed the housing situation in the capital differs from the situation in any other city merely in the figures involved. As for the rest, everything is the same: some people wait patiently until their turn comes, while others strive to "slide" to the head of the line. This violates the principle of equity--our most important principle.

Can genuine equity be achieved in the "housing question?" It can and must in the opinion of today's two interviewees: Konstantin Sergeyevich Danilin, chief, Mosgorispolkom Housing Accounts and Distribution Administration, and Lev Mikhaylovich Bychkov, first deputy chief of this administration.

[K. Danilin] Rumors are always the result of inadequately informing the people and the desire to keep the true state of affairs hidden from them. I will try to explain some of this. Plans for changing apartment rents have indeed been worked out. But not one of them is acknowledged to be sufficiently effective, on the one hand, or sufficiently democratic, on the other hand. Therefore, to speak about how everything will be or, even more so, when this will happen simply makes no sense at all.

[Question] But what about the housing space which is becoming vacant?

[K. Danilin] This, unfortunately, is true--with regard to both apartments and rooms. According to the regulations, such areas include those which are vacant for more than three months. As of 1 May, Moscow had 595 such apartments and 1,124 rooms, which, by the way, is much less than was previously the case. Why does housing remain so long without tenants? In a way, the rayons really are "holding onto" them. Not always with malicious intent but often due to poor operational organization or a lack of normal accounting procedures. Other apartments or rooms remain vacant because the enterprises which should see to it that they are occupied are to blame: they often shuffle "candidates" about arbitrarily, etc. There is another reason--major repairs on the apartments sometimes take years, and the inhabitants are forced to leave, let's say, for example, at the insistence of the sanitation-medical service. Or the following such instance (more correctly, instances because there are so many of them): a room has become vacant in a "communal apartment"; the ispolkom or enterprise which has jurisdiction over the apartment issues an allocation order to the person "next in line." But one of the neighbors demands that the living space be allocated to his family (in accordance with Art. 46 of the housing legislation). As a rule, such disputes drag on for a long time and frequently are resolved only in the courts.... Finally, according to the law, living space whose tenant has died cannot be moved into by a new tenant until six months have elapsed; this time period is for the heirs to assert their rights.

[L. Bychkov] But a great deal still depends on the rayispolkoms. In places where there is at least an elementary procedure and initiative, the matter of vacated housing space is analyzed quickly. But if, as is now the case, one out of every three apartments in newly built apartment houses is not occupied within the stipulated three months, then this must be regarded as a pure "lapse" on the part of the rayons. Moreover, 60 percent of the cases where new occupancies have been delayed are accounted for by apartment houses which are under departmental jurisdiction.

[Question] So just how long must a Muscovite wait his turn to obtain housing?

[K. Danilin] Five or six years. But that's an average. Sometimes it's more, sometimes less. For example, those who apply for a three-room apartment have turned out to be in a more difficult position. The demographic situation in the capital has developed without taking into account the forecasts of our specialists and planners, who asserted with conviction that the greatest demand would continue to be for two-room apartments. In 1987, therefore, in the houses under construction we are 10,000 three-room apartments short in providing for "those waiting in line according to the plan."

[L. Bychkov] The waiting-period can be shortened in varying degrees for those persons who fall into one of the 18 privileged categories. This accounts for approximately a third of those waiting their turn--invalids and war veterans; families of those who perished at the front; single women who took part in the war; families with many children; persons suffering from various types of diseases....

[Question] What you are talking about are legitimate privileges. But many persons attempt to get around the line. I recall that not long ago a great

deal of noise was made in the press concerning "public-spirited volunteers" who were working for free in the rayispolkoms "in exchange for an apartment."

[L. Bychkov] There were cases of this kind. Now there are no such "public-spirited volunteers." But, you know, they did not appear just by chance. Over a 30-year period housing space in Moscow tripled, while the staffs in the ispolkoms' housing divisions remained the same as before. And at one point in time the Mossovet granted permission to recruit supplementary employees to work without pay. To be sure, it was stipulated that they must be persons waiting their turn in the rayon and primarily those living on pensions. However, this stipulation was quickly forgotten about; there were violations of the conditions whereby the "public-spirited volunteers" could not push aside those awaiting their legitimate turn in line. In general, we have gotten rid of such "volunteers." And we feel that the following is true: it has become more difficult to work because the loads on the staff personnel are enormous. Although our staffs have been expanded by 3-4 units per rayon, we have also let go 7-15 persons per rayon.

[K. Danilin] In places where it is up to us to put things in order we have begun to analyze and settle matters quite rigorously. But what "moves" people make in order to avoid waiting their turn in line, to push others aside, and to obtain special rights for themselves! Here is one very widely used device. A relative living somewhere far away is registered as living in Moscow--a participant in the war (may the veterans forgive me, but facts are facts). All manner of truths and untruths are ascribed to him, and within a few months he shows up at our office. "I can't live with these young folks," he says, "in the same apartment (or room). Move either them or me into a different accomodation." And we do move them, moreover, in accordance with a privileged category, inasmuch as veterans' conditions must be improved within the briefest possible time periods. But after a certain amount of time has elapsed, he exchanges places again with relatives. Sometimes such a "move" is repeated two or three times.

[Question] ...Here I must interrupt my interviewees because during our conversation I heard so much and looked at so many documents that the newspaper does not have enough space for me to talk about everything. I myself know what it means to wait for years to obtain an apartment, what the meters themselves consist of, and that they are not enough for your family. But I also know that this makes it all the more necessary to wait one's turn. And, of course, I've also seen those persons who "get around" the line. I thought I had seen all kinds of such persons. But it turns out that this was not so. I hadn't seen, for example, those people who have taken orphans from children's homes, registered them as their own "sons," and by utilizing such a notorious norm, claimed the right to an apartment. After settling in, they would with a clear conscience give the boy back to the children's home, saying that they could not cope with bringing him up. Yes, such people really do exist.

But most of the "moves" are well known. They are based on the conviction that positions and ranks accord special rights. Moreover, not only for those who bear these ranks but also for their children. None of our restructuring policies have shaken them in this conviction, even though while at work they

are fond of constantly speaking about restructuring. But in their non-working time they write letters, or more often request (or is it demand?) that a two- or three-room apartment--sometimes an even-more spacious one--be allocated to their offspring and to the families which the latter have acquired. And not just any apartment will do; it must be in the center of the capital and in an apartment house with an improved layout. This must be done, of course, by way of an exception, inasmuch as their children do not stand in any lines, nor do they intend to do so....

A widely renowned poet, the author of vivid journalistic articles about our daily lives, has requested an improvement in the housing conditions of his family, consisting of four persons, because his five-room apartment with a living space of 96 meters is a bit too crowded and is located on a noisy central street. But for some reason he does not want to move to a quiet new neighborhood with a view of the suburban Moscow woods. He wishes instead to move into a six-room apartment in this very same noisy house. The request is supported by a letter with a solid endorsement....

And here's a letter from a ministry which has invited a specialist from a distant city to take a management position. The family consists of two persons. But in their old place of residence they had a three-room apartment. Therefore, the ministry demands that he be provided with the same thing in Moscow. It is not important that the capital has its own norms and its own procedure, that an invitation to take a prominent position here is already a significant promotion and, if you like, an honor. This person is immediately placed in special conditions. The letter even stipulates that "Comrade M. has agreed to accept a three-room apartment." Thank you, Comrade M.! Of course, you could have turned the offer down and demanded more....

There are many such letters and applications. And each one is followed up by solicitations, phone calls, and "special requests." This administration's leading officials spend whole days turning down such "exceptions." One does not envy them. And here's another curious thing: most such solicitations are signed personally by the ministers or their deputies, without any public organizations being involved.

Of course, we need not be hypocrites about this. Writers, composers, or, let's say, scholars (i.e., those persons whose work "at home" requires additional conditions) ought to have these conditions. And they should be set up to the extent possible. But if a ministry needs a capable main administration head, let him move into an apartment house where other people also have apartments. Nevertheless, there must be, to put it more delicately, a sense of proportion, a feeling of elementary equity.

This administration's new leadership wants to achieve genuine social equity on this "hot" issue. The Mossovet deputies who comprise the city housing commission have also begun to be much more rigorous in their approaches to solving the problems of allocating apartments "by exception." There is, of course, a great deal more which reflects new approaches. Therefore, the idea of a general order of precedence has emerged; it is interesting, albeit still controversial. What is its intent?

[K. Danilin] Its intent is to observe, as fully as possible, the principles of social equity. What is taking place now? At enterprises solving the problem of allocating apartments to their own people waiting in line they are looking at what kind of people these are, what kind of work and how much of it they perform, whether or not they've committed any violations of discipline, etc. And this is a correct procedure. But if you are a person waiting for their turn in a rayon, then the rayispolkom has absolutely no interest in your "social portrait." When your turn comes, you obtain an apartment, even if you are a drunkard or a rolling stone who has changed work places several times a year. It turns out that the work collectives' sphere of influence on these problems is limited solely by their own people waiting in line. And so we would like to eliminate line in the rayons by transferring them to the enterprises and distribute housing there. But a certain portion of those persons waiting their turn would remain under the rayispolkoms' jurisdiction--those persons who are unemployed for valid reasons: invalids, pensioners, etc.

[Question] But wouldn't you then get a situation whereby the line at the rayons would become the "tail" of the line at the enterprise?

[K. Danilin] No, because one of the mandatory conditions is retaining the year when a person has joined the line. If a rayispolkom has put you down on the list, let's say, in 1981, then at work also your position in line will be from that date. But there are many problems, and to put the new procedure into operation in Moscow is, frankly speaking, complicated. We want to conduct an experiment in several rayons first and then discuss it widely. The Muscovites' opinion will be decisive.

[L. Bychkov] Here's another nuance. At enterprises it is primarily the personnel with at least 15 years of service, the leading workers, who obtain apartments. But then, what can a young family, "transferred" from a rayon line count on if the meters, as is said, allow one to apply for an improvement in housing conditions, but the period of service and the merits are not yet so large? But we consider that everything can be solved if we put some serious thought into the new system.

[K. Danilin] And we must proceed further. Nowadays we have to deal with more than 3,000 organizations, as well as their administrations and trade-union committees, to which we allocate housing. Sometimes as many as 20 enterprises are included within one ministry, where there is an economic administration or a division handling social and everyday problems. But the ministries and even the sectorial gorkoms are now standing on the sidelines of housing matters; all they do is register solicitations or resolve these problems for the central apparatus. We don't want to regulate the general line of precedence through the ministries.

[Question] That is, to transfer the task of housing distribution to them?

[L. Bychkov] That's precisely it. The ministries ought to know, for example, that at a certain enterprise there is almost no waiting line, while at another one persons have been waiting their turn for eight or ten years. And they must take this into consideration. Just as in the case of the enterprises' own

work. If you overfulfill the plan, you will obtain more apartments. But if you disrupt the plan, then you cannot count on things being too good in this field at the outset. In general, these are the principles of motivation and equity, as transferred to the sectorial scale. Then the trade-union gorkoms will also have to get moving.

[Question] Then what will your role be?

[K. Danilin] The documents will still pass through us, through the rayons, and we will be monitoring the procedure of housing distribution. But we will not have to deal with thousands of enterprises, but instead with the ministries and trade-union gorkoms. The number of such "customers" will be reduced to one-tenth its present amount!

[L. Bychkov] So far the departments have not been too keen on this system; they don't want to get involved in such "fine points."

[L. Danilin] Nevertheless, outmoded principles need to be changed. This can be accomplished if we do not fear openness and if everything will be in full view. This is our main goal: to strip the "secret" covers from housing distribution, to assert genuine equity and block off any devious routes.

...While we were saying goodbye, one of the numerous telephones on the administration chief's desk began ringing again. A new "attack" had begun. And, judging by everything we had heard, it was far from being the last....

2384

CSO: 1827/108

NUCLEAR POWER LEGISLATION PASSED

Regulations for Worker Discipline

Moscow SOBRANIYE POSTANOVLENIY PRAVITELSTVA SOYUZA SOVETSKIKH SOTSIALISTICHESKIKH RESPUBLIK in Russian No 25, 1987 pp 515-526

[Charter on Workers' Discipline in the USSR Ministry of Nuclear Power Generation System, approved by decree of the USSR Council of Ministers on 2 April 1987]

[Text] 87. On Approving the Charter for Disciplining Workers in the USSR Ministry of Nuclear Power Generation System.

The USSR Council of Ministers decrees:

1. To approve the accompanying Regulations for Disciplining Workers in the USSR Ministry of Nuclear Power Generation System.

1. To recognize as invalid Decree No. 566 of the USSR Council of Ministers entitled "On Approving the Regulations for Disciplining Workers at Atomic Stations (Atomic Electric Power Stations, Atomic Central Heating and Power Plants and Atomic Heat Supply Stations)."

Chairman of the USSR Council of Ministers N. Ryzhkov

Administrator for USSR Council of Ministers M. Smirnyukov

Moscow, Kremlin, 2 April 1987, No. 390.

Approved by Decree No. 390 of the USSR Council of Ministers on 2 April 1987

Charter on Workers' Discipline in the USSR Ministry of Atomic Energy System

I. General Statutes

1. Atomic energy is one of the most important sectors of the country's fuel and energy complex, with the requirements of the national economy and population for electric and thermal power being dependent upon its efficient and uninterrupted operation.

An expansion in the scale of use of atomic energy in the national economy and the operational characteristics of atomic power stations and other atomic energy installations associated with ensuring their safety and protection of the environment require exemplary discipline and a high level of organizational ability, creative activity and the personal responsibility of workers, harmony and efficiency in the interactions of all services of atomic energy enterprises, organizations and institutes, the conscientious fulfillment by workers of their official duties and strict observance of the rules, norms and instructions relating to their labor activities.

Disciplinary violations by workers can threaten the lives and health of people, cause emergencies and accidents, contamination of the environment and interruptions in the power supply for the national economy, inflict considerable damage on socialist property and on the property of civilians and disrupt the schedules for carrying out the established state plans and tasks.

2. The present Regulations cover all workers attached to atomic energy enterprises, organizations and institutes, including workers on the central staff of the USSR Ministry of Nuclear Power Generation, with the exception of workers associated with the municipal housing economy and domestic services, worker supply, cultural-educational, athletic and childrens' institutes.

The list of enterprises, organizations and institutes, the workers of which are covered by the present Regulations, is approved by the USSR Ministry of Nuclear Power Generation, by agreement with the central committee of the trade union for workers assigned to electric power stations and the electrical engineering industry.

3. Discipline in atomic energy consists of strict observation by all workers of the system and rules established by existing legislation, orders and instructions of the USSR Ministry of Nuclear Power Generation and other normative documents relating to their activities, of conscientious fulfillment of the official duties assigned to them, of a conscientious and creative attitude towards their work, the uncovering and utilization of available resources and the elimination of shortcomings and also in the accurate and timely execution of the orders and instructions of leaders.

Discipline is achieved by means of a conscientious attitude towards work, instilling high ideological-moral and business-like qualities in the workers, developing a sense of responsibility for the carrying out of work obligations, by exactingness on the part of leaders, by a skilful combination and correct use of persuasions, incentives and disciplinary punishments and by effective influence of labor collectives on the conscience and behavior of each member of a collective.

4. An atomic energy worker is obligated to:

a) possess a good knowledge of his specialty and the work assigned to him, to carry out his duties in an accurate and timely manner, to display the required degree of initiative and a creative attitude towards his work and to improve constantly his professional expertise and business-like skills;

b) promote in every possible way reliable and safe operations at atomic power stations and other atomic energy installations, to be constantly ready to correct emergency situations and to prevent their development, to undertake the appropriate measures when emergency situations do arise, to report their occurrence to the work leaders and to carry out his work in strict conformity with the plan for correcting emergency situations.

The arrival for work of a worker, in response to a summons by the administration, for the purpose of correcting an emergency situation, is mandatory;

c) ensure a strict regime for realizing economies, the efficient use of material resources, protection of socialist property and participation in uncovering and eliminating those causes and conditions which promote losses and wasteful expenditures of material values;

d) know and steadfastly observe the established technology for the carrying out of work and the rules and norms for labor safety, for the safe conduct of operations, for the technical operation of equipment, production sanitation and labor hygiene, fire safety, for protecting the environment and other rules and norms relating to labor activities;

e) observe executive discipline and the established system for document storage, to display vigilance and to safeguard state and official secrets;

f) carry out established production tasks, to achieve improvements in labor productivity and the quality of work, to lower production costs and improve other operational indicators and to introduce into operations new equipment and technologies and scientific means and methods for labor activities;

g) undertake and pass in the established manner examinations on knowledge of the regulations and instructions and the rules and norms for equipment operation and the safe conduct of operations.

Persons who fail to pass these examinations are not permitted to work at atomic power stations or at other atomic energy installations and are transferred, with their consent (temporarily until they pass the examinations), to other work where they will be paid in accordance with the work performed. If a worker rejects such a transfer, a leader can, in the established manner, cancel the labor agreement established with him;

h) steadfastly observe the system and rules established by existing legislation, orders and instructions of the USSR Ministry of Nuclear Power Generation and other normative documents relating to its activities and carry out the orders and instructions of leaders and also the directions handed down by the organs of state supervision in an accurate and timely manner;

i) systematically inspect the working areas, equipment and other technical resources and to undertake measures aimed at immediately correcting all deviations in their operations and also those factors and conditions which are inhibiting or making production operations more difficult;

j) observe the rules for socialist dormitory facilities and the norms for communistic morality, to conduct oneself with dignity at work and when away from work, to restrain other workers from violating labor discipline and public order and to lend assistance in strengthening discipline in the labor collectives.

5. A leader is obligated to:

a) organize the work of subordinates and interrelationships in a collective in the correct manner and achieve the fulfillment by a collective of its planned tasks, growth in labor productivity, improvements in production efficiency and the quality of work and the introduction of scientific labor organization and administration;

b) ensure the economic and efficient use of material resources and a thrifty attitude by subordinates towards socialist property and to uncover and eliminate those factors and conditions which promote losses and the wasteful consumption of material values;

c) instill in subordinates a conscientious attitude towards work and high ideological-moral and business-like qualities, to support the initiative and creative activities of workers and to assist them in uncovering and utilizing reserves and eliminating shortcomings;

d) observe in a strict manner the requirements of socialist legality, to issue orders and instructions to subordinates in a clear manner and to carry out checks on to ensure that they are carried out in a timely and accurate manner;

e) undertake all of the measures required for strengthening order and discipline and reducing losses in working time and losses caused by personnel turnover;

f) ensure observance of the pass and admittance regime established at atomic stations and other atomic power installations;

g) ensure observance of the established rules and norms for protecting labor, equipment safety, the operation of equipment and mechanisms, production sanitation, fire safety and protecting the environment and other rules and norms relating to the labor activities of workers;

h) skillfully combine exactingness of subordinates with concern for them, to be tactful with the personnel and sensitive to their needs, to encourage workers who have distinguished themselves in carrying out their work obligations and official duties and to hand out strict punishments to those who violate labor and technological discipline, while taking into account the opinion of the labor collective;

i) organize and develop, jointly with the trade union committee, a socialist competition in the labor collective;

j) set an example for subordinates in exemplary fulfillment of official duties and fine behavior while at work and also during non-working hours.

A leader bears responsibility for the status of discipline among subordinates and also for failure to carry out the responsibilities imposed upon him by the present charter.

A leader must devote special attention to uncovering and correcting in a timely manner those factors and conditions which result in a breakdown in discipline, to preventing misdeeds by subordinates, to creating an intolerant attitude towards disciplinary violations and to utilizing the forces of social influence for combating these violations.

6. As a rule, a subordinate receives all work instructions from his immediate leader. In the event instructions are received from a higher leader, a worker is obligated to carry out these instructions and to inform his immediate leader that he is doing so.

7. Workers for whom uniforms and badges of rank have been established must wear these uniforms when carrying out their official duties, provided they are not required to wear special production clothing.

8. Each worker covered by the present charter, must know it well and carry out the requirements in an accurate manner.

II. Incentives

9. Workers covered by the present charter are awarded incentives for exemplary fulfillment of their work obligations, over-fulfilling production tasks, success in a socialist competition, raising labor productivity, improving the quality of work, strict observance of the norms and rules for the safe conduct of operations and for protecting the environment, a thrifty attitude towards socialist property, innovation in work, efficiency expert and inventive work, manifesting initiative and resourcefulness in work and also for courage and selflessness displayed during the carrying out of official duties.

10. The following incentives are issued to workers: a) expression of gratitude; b) awarding of bonus; c) awarding of valuable gift; d) awarding of honorary certificate; e) inclusion of name in Book of Honor or Board of Honor;

f) awarding of title of best worker in his particular profession or other titles for success in work; g) awarding of chest decoration (badge)

The simultaneous awarding of several incentives to a worker is authorized.

11. Workers who carry out their work obligations in a successful and conscientious manner are first of all awarded privileges and advantages in the area of socio-cultural and housing-domestic services and they are also given

priority insofar as promotions in their work are concerned.

For eminent achievements in their work and for displaying selflessness, heroism and courage, workers can be presented in the established manner with the state awards of the USSR and union republics.

12. Incentives are employed in the following manner: a) each leader is authorized to express gratitude to subordinates. An expression of gratitude in an order is carried out by agreement with the appropriate trade union committee; b) the issuing of a bonus and the awarding of a valuable gift is carried out by a leader who is authorized to hire personnel for work and to dispose of resources intended for this purpose, jointly with the trade union committee; c) the awarding of an honorary certificate or the inclusion of a name in the Book of Honor or on the Board of Honor is carried out by a leader who is authorized to hire personnel for work, jointly with the appropriate trade union committee; d) the awarding of an honorary certificate of the USSR Ministry of Nuclear Power Generation and the awarding of the title of best worker in a given profession or other titles for success in work and also the awarding of a badge are carried out in the established manner.

Incentives, with the exception of verbal gratitude, are announced in an order issued to the entire collective and entered in the labor record of the worker concerned.

13. In the absence of the appropriate leaders, incentives can be issued by those performing their duties.

14. If the incentive to be awarded to a worker goes beyond the rights extended to the leader involved, he may call upon a higher leader to do so.

A higher leader is fully authorized to issue the same incentives which lie within the purview of a lower leader.

The USSR Minister of Nuclear Power Generation and his deputies are authorized to issue all incentives authorized by the present charter.

III. Disciplinary Punishments

15. The non-fulfillment or improper fulfillment of work obligations by a worker and also of the established rules for behavior in official spaces and on official territory, even if the violation did not occur while carrying out work obligations, is a disciplinary misdemeanor provided the violation did not involve criminal responsibility.

16. The following punishments are handed down to workers for committing disciplinary misdemeanors: a) notice; b) reprimand c) strict reprimand d) warning of incomplete compliance with official requirements; e) transfer to lower paying work for a period of up to three months or demotion to a lower position for the same length of time.

For systematic violations of labor discipline, a misdemeanor without valid

reasons or for appearing at work in an intoxicated state, a worker can be transferred to lower paying work or demoted to another lower position for the same period of time mentioned in the first paragraph of the present sub-point;

f) transfer to work not associated with the operation of atomic stations or with the carrying out of repair and start-up and adjustment work at these stations, taking into account the profession (specialty) for a period of up to one year; g) release from a position associated with the operation of atomic stations and also with the carrying out of repair and start-up and adjustment work at these stations, with work being presented taking into account the profession (specialty); h) discharge.

Only one disciplinary punishment can be applied for each disciplinary misdemeanor.

17. The transfer of a worker over to lower paying work for a period of up to 3 months or a demotion to a lower position for the same period of time is carried out taking into account the profession (specialty) and in cases involving a systematic violation of labor discipline, a misdemeanor in the absence of valid reasons or the appearance at work in an intoxicated state it is carried out without taking into account the profession (specialty).

The transfer of a worker by way of a disciplinary punishment to work which is contraindicated from a health standpoint, in accordance with a medical finding, is not permitted.

Workers engaged in the operation of atomic stations and also in carrying out repair and start-up and adjustment work at these stations, who are transferred to lower paying work or demoted to lower positions for a period of up to three months, must pass examinations on knowledge of the rules, norms and instructions for the safe conduct of operations prior to being returned to their former work.

A worker who has twice failed these examinations is transferred with his consent to other work, with his specialty and skills being taken into account and if he rejects such a transfer he can be discharged in accordance with the system established in existing legislation.

18. A disciplinary punishment in the form of discharge can be employed

-- for systematic failure to carry out obligations in the absence of valid reasons and provided disciplinary or public punitive measures were applied earlier;

-- for loafing (including absence from work for more than 3 hours during the working day) in the absence of valid reasons;

-- for appearing at work in an intoxicated state;

-- for a crude violation of discipline that threatens the operational safety of atomic stations and other atomic energy installations or which endangers the lives and health of personnel.

The discharge of a worker is carried out by agreement with the trade union committee, with the exception of those incidents set forth in existing USSR legislation and also incidents involving crude violations of discipline which threaten the operational safety of atomic stations and other atomic energy installations and the lives and health of personnel.

The lists of crude violations of discipline which threaten the operational safety of atomic stations and other atomic energy installations or which endanger the lives and health of personnel and the categories of workers discharged without the consent of the trade union committee are approved by the USSR Ministry of Atomic Energy by agreement with the Central Committee of the Trade Union for Workers Assigned to Power Plants and the Electrical Engineering Industry.

19. The use of a disciplinary punishment does not release a worker who has committed a misdemeanor from the material and administrative responsibility called for in existing legislation and it may also be combined administratively with complete or partial deprivation of bonuses and awards based upon annual operational results or with limitations being placed upon privileges in the area of socio-cultural and housing-domestic services.

20. A leader must not leave unpunished a single misdemeanor by a subordinate.

In the event it is not expedient to employ a disciplinary punishment, a leader must warn the worker concerning the need for strict observance of discipline or the question concerning his misdemeanor will be turned over for review by the labor collective, a comrades' court or public organization.

21. A worker cannot be subjected to disciplinary punishment in the form of a warning against incomplete compliance with his official duties if his lack of compliance was caused by insufficient skills or state of health, which prevented him from carrying out his assigned work.

22. When imposing a disciplinary punishment, a leader must observe the rules for official ethics and not tolerate any lowering of the personal worth of a subordinate.

23. A disciplinary punishment must conform to the degree of guilt of a worker and the gravity of the misdemeanor committed by him.

When determining the degree disciplinary punishment, one should take into account the harm caused by the particular misdemeanor, the circumstances under

which it was committed, the motives behind the misdemeanor and also the previous work performed by the person who committed the misdemeanor.

24. Disciplinary punishments are employed in the following manner: a) each leader can issue a verbal notice to a subordinate; b) a leader authorized to

hire workers and a higher leader can impose on a worker any of the disciplinary punishments set forth in Point 16 of the present charter.

The deputies of the mentioned leaders for subordinate operational elements can impose punishments in the form of notices, reprimands and severe reprimands;

c) a leader authorized to issue orders can impose punishments in the form of notices, reprimands and severe reprimands against those of his subordinates who were assigned to their positions by a higher leader.

25. In the absence of the appropriate leaders, disciplinary punishments can be imposed by those officials performing their duties.

26. If because of the gravity of the misdemeanor, a disciplinary punishment must be employed which the particular leader is not authorized to impose, he will petition a higher leader to do so.

27. In those instances where criminal responsibility is indicated in an infringement of the law, a leader is obligated to transfer the appropriate materials to the organs of inquiry or preliminary investigation.

28. A leader is personally obligated, prior to imposing a punishment upon a worker, to investigate thoroughly and objectively the motives and reasons underlying the misdemeanor that was committed and to require a written or oral explanation from the worker who committed it.

A refusal to provide a written explanation does not release a guilty worker from disciplinary responsibility.

29. A disciplinary punishment, in addition to an oral notice, is announced in an order which the worker must receipt for within a 3-day period following the promulgation of the order.

30. A disciplinary punishment is imposed not later than 1 month following the day on which the misdemeanor was noted, not counting any time that the worker was sick or on vacation.

In those instances where material is turned over to the organs of inquiry or preliminary investigation and also for examination by the labor collective, comrades' court or a public organization, the disciplinary punishment is imposed not later than one month following termination of the criminal case or the handing down of a decision by the labor collective, comrades' court or public organization concerning the use of disciplinary punishment by the appropriate leader.

A disciplinary punishment cannot be imposed more than 6 months after a misdemeanor has been committed and in accordance with the results of an audit of financial-economic activity -- not later than 2 years after it has been committed. The time required for preparing the case from a criminal standpoint is not included in these periods.

31. A higher leader is authorized to abolish, mitigate or increase (within the limits of the rights extended to him) a disciplinary punishment imposed by a lower leader if he finds that this punishment is not in keeping with the gravity of the misdemeanor committed.

An increase in a disciplinary punishment is not permitted if the question concerning imposition of the punishment is being reviewed based upon a complaint by the worker.

An increase in a disciplinary punishment can be carried out only within the limits of the periods set forth in Point 30 of the present charter.

32. The USSR Minister of Nuclear Power Generation is authorized to impose all disciplinary punishments called for in the present charter and his deputies -- all disciplinary punishments with the exception of demotion to a lower position, transfer to other work and the discharge of persons designated by the minister.

33. A worker is considered as not having a disciplinary punishment if, during the course of a year's time since a punishment was imposed, he is not subjected to a new disciplinary punishment. However, this does not bring about the restoration of a worker to the position from which he was released or discharged in conformity with sub-points "g" and "h" of Point 1b of the present regulation.

34. A leader who imposed a disciplinary punishment upon a guilty worker or a higher leader can remove this punishment before a year has elapsed, provided the worker displays a conscientious attitude towards his work and has not committed a new disciplinary violation.

A request for the removal of a punishment ahead-of-schedule must be examined by a leader not later than 15 days following the day on which it was imposed.

35. Incentive measures called for in the present regulation are not issued to a worker during the period in which he is subject to a disciplinary punishment.

36. Within a period of 3 months following the day on which he was acquainted with the order imposing a disciplinary punishment upon him, a worker may lodge a complaint against the punishment.

The lodging of a complaint does not halt the execution of an order calling for the imposition of a disciplinary punishment.

IV. Final Statutes

37. A complaint by a worker concerning an illegal or incorrect imposition of a disciplinary punishment, or a violation by a leader of the rights extended to him by the present charter or non-fulfillment of his obligations is reviewed by a higher leader.

38. A higher leader is obligated to examine the complaint in a thorough and objective manner and to hand down his decision without delay and not later than 15 days following its submission.

The higher leader must inform the interested worker and the leader whose actions are being appealed regarding the results of his review of the complaint.

39. A leader who does not utilize the disciplinary rights extended to him or who exceeds them, bears responsibility for this in the established manner.

40. Each higher leader must exercise control over both the overall status of discipline and the steady and correct implementation by all leaders of the rights extended to them by the present charter and the obligations assigned to them.

Statute on Nuclear Power Ministry

Moscow SOBRANIYE POSTANOVLENIY PRAVITELSTVA SOYUZA SOVETSKIKH SOTSIALISTICHESKIKH RESPUBLIK in Russian No 25, 1987 pp 515-526

[Statute on the USSR Ministry of Nuclear Power Generation, as approved by Decree of the USSR Council of Ministers, issued on 8 April 1987]

88. On Approving a Statute on the USSR Ministry of Nuclear Power Generation

The USSR Council of Ministers decrees:

To approve the accompanying statute on the USSR Ministry of Nuclear Power Generation.

Chairman of the USSR Council of Ministers N. Ryzhkov

Administrator for USSR Council of Ministers M. Smirnyukov

Moscow, Kremlin, 8 April 1987, No. 419.

Approved by Decree No 419 of the USSR Council of Ministers on 8 April 1987

Statute On the USSR Ministry of Nuclear Power Generation

1. The USSR Ministry of Nuclear Power Generation is an all-union ministry within the country's fuel-energy complex and it carries out its work under the direct guidance of the bureau for the fuel-energy complex of the USSR Council of Ministers.

The USSR Ministry of Nuclear Power Generation directs the operation of atomic electric power stations, atomic thermal electric power stations, atomic heat supply stations and other installations intended for the production of electrical and thermal energy based upon the use of nuclear fuel (subsequently referred to as atomic stations) and the development in the established manner

of atomic power engineering throughout the country, while closely coordinating its work with the USSR Ministry of Power Engineering and Electrification, the USSR State Committee for the Use Of Atomic Energy and with the union republic councils of ministers.

2. The USSR Ministry of Nuclear Power Generation bears responsibility for carrying out the decisions handed down by the party and government in the development of atomic power engineering, for the technical level, operational reliability and nuclear and radiation security of atomic stations, for exercising reliable control over the radiation situation at atomic stations and in regions where they are located, for ensuring safe working conditions for production operations and strict fulfillment of the norms, rules and regulations for safety in atomic power engineering and, jointly with the USSR Ministry of Power and Electrification, for more complete satisfaction of the country's requirements for electrical and thermal energy.

The USSR Ministry of Nuclear Power Generation carries out business-like collaboration with the ministries and departments in solving the problems concerned with nuclear and radiation safety, environmental protection, improving the system of special security for atomic energy installations, developing existing cooperative relationships and also in developing and solving other inter-branch problems.

3. The chief tasks of the USSR Ministry of Nuclear Power Generationy are:

-- carrying out the tasks of the state plan for the production of electrical and thermal energy and the placing in operation of production capabilities at atomic stations, apartment dwellings for workers at atomic stations and members of their families and other installations in the social sphere; ensuring strict observance of state discipline at subordinate enterprises (associations) and at organizations and institutes and the availability of graphs for electrical and thermal workloads, developed in the established manner by the dispatcher service of the USSR Ministry of Power and Electrification;

-- raising the technical level and economic effectiveness of existing atomic stations and improving the use of nuclear fuel, the established capabilities of power units and also labor, material and financial resources;

-- implementing further automation in the control of technical processes, raising the reliability of automated systems for controlling nuclear reactors and other equipment of atomic stations and introducing into operations at atomic stations the latest scientific and engineering achievements, new means and methods for preventing accidents, progressive forms for labor organization and leading experience;

-- improving the economic mechanism at subordinate enterprises (associations), organizations and institutes and intensifying its effect with regard to further raising discipline, the responsibility of workers for their assigned tasks and personnel skills, ensuring reliable and safe operation of atomic stations and improvements in the technical-economic indicators for equipment operations; carrying out the tasks with regard to profits, lowering the

production costs for industrial output and reducing the number of workers by raising the technical level of production;

-- ensuring the efficient use of capital investments allocated for the development of nuclear power generation and also for the construction of apartment dwellings and other installations in the social sphere for workers attached to atomic stations and members of their families;

-- raising the technical and economic level of planning decisions, improving planning and estimates work and observing the estimated cost and normative periods for the duration of construction for atomic stations;

-- exercising control in the established manner over the quality of construction of facilities and equipment installation and over the carrying out of work concerned with the modernization of atomic stations and the modernization of existing and the development of new nuclear reactors, power engineering and other equipment for atomic stations in keeping with the modern requirements;

-- raising the responsibility of personnel for their assigned tasks and creating in all areas an atmosphere of mutual exactingness, firm discipline and good organization and decisive intolerance for all manifestations of carelessness or neglect;

-- creating conditions for the training of highly skilled personnel, for the best use of the knowledge and experience of workers and for promoting young, industrious and deserving specialists to leading work positions; organizing the certification of leading workers and specialists, viewing this means as an effective form for exercising control over the work of personnel and for stimulating growth in their business-like qualities. ;

--improving housing and social-domestic conditions for workers attached to subordinate enterprises (associations), organizations and institutes, introducing new means and methods for preventing professional illnesses and production injuries.

4. The USSR Ministry of Nuclear Power Generation directs its subordinate enterprises (associations), organizations and institutes directly through organs created by it and it ensures strict observance of the rights set forth in existing legislation for enterprises (associations), organizations and institutes and promotes the development of their economic independence and initiative in every possible way. In the process, the ministry devotes special attention to the development of economic methods for managing the enterprises (associations).

The USSR Ministry of Nuclear Power Generation and its subordinate atomic stations, transport and other enterprises (associations), organizations and institutes constitute a unified system for the ministry.

5. In carrying out its work, the USSR Ministry of Nuclear Power Generation is guided by the laws of the USSR, other decisions handed down by the USSR Supreme Soviet and its Presidium, decrees and orders by the USSR Council of

Ministers, the General Statute Governing USSR Ministries, the present statute and also other normative documents relating to its activities and it ensures the correct use of existing legislation at enterprises (associations), organizations and institutes of the ministry.

The USSR Ministry of Nuclear Power Generation generalizes the practical use of legislation within the ministry's system, develops recommendations for improving it and introduces them into the USSR Council of Ministers in the established manner. In addition, it implements measures aimed at improving legal work at subordinate enterprises (associations), organizations and institutes.

6. The USSR Ministry of Nuclear Power Generation in addition to carrying out the functions called for in the General Statute on USSR Ministries in the sphere of planning, science and engineering, capital construction, logistical supply, finances and credit, personnel, labor and wages and also in the sphere of economic, scientific-technical and cultural contacts with foreign countries:

a) participates in the preparation by USSR Gosplan, the USSR State Committee for Science and Engineering and the USSR Academy of Sciences of recommendations for defining more precisely and supplementing (prior to each five-year period) the USSR's power engineering program and in the development by the USSR Ministry of Power and Electrification of the basic directions for the development of power engineering and electrification for the country and individual economic regions, programs for the development of power engineering and electrification in the USSR, individual and united energy systems and heat supply systems for cities and industrial centers and, taking into account the decisions handed down, it prepares recommendations for developing the country's nuclear generation system and presents these recommendations in the established manner;

b) develops five-year and annual plans for the branch in accordance with the established system of indicators and presents them to USSR Gosplan and to the Bureau for the Fuel-Energy Complex of the USSR Council of Ministers;

c) ensures the timely delivery to atomic stations of the approved plans and schedules for the production of electrical and thermal energy and the release of it into the energy systems of the USSR Ministry of Power Engineering and Electrification and it also ensures the delivery to subordinate enterprises (associations) and organizations, in the established manner, of the approved plans for the placing in operation of production capabilities, apartment dwellings and other objects in the social sphere, limits for capital investments and construction-installation work and other planned tasks and organizes their implementation;

d) carries out in the established manner the function of general designer and the function of client in the erection of atomic stations;

e) directs the work of subordinate planning organizations and develops and approves in the established manner the basic directions for the planning of atomic stations, the normative-technical documents associated with planning,

engineering studies, construction and with ensuring the reliable and safe operation of atomic stations;

f) together with the appropriate organs of CEMA member states and other foreign countries, implements collaboration in matters concerned with the planning, erection and operation of atomic stations, maintains contacts in the established manner with the International Agency for Atomic Energy and other international organizations, conducts negotiations, prepares and presents recommendations for scientific-technical exchanges and draft agreements with foreign countries on matters falling within the competence of the ministry and carries out the function of general planner for atomic energy installations erected abroad with the technical assistance of the USSR and also that of general customer for equipment, instruments and materials for atomic stations purchased abroad and produced on the basis of cooperation in CEMA member states and in the Socialist Federated Republic of Yugoslavia.

g) develops and presents recommendations to the appropriate organs on atomic energy matters, for inclusion in special purpose comprehensive programs and programs for solving scientific-technical problems and also for achieving scientific-technical collaboration with foreign countries in the area of atomic energy and it ensures fulfillment of the tasks for introducing scientific-technical achievements into nuclear power generation, as called for in the state plans and programs;

h) develops and presents to the ministries and production-departments the technical-economic requirements needed for the creation of new types of machines, equipment, instruments and materials, as required for enterprises (associations), organizations and institutes of the ministry, it examines the technical tasks and technical plans for the mentioned machines, equipment and instruments and the technical tasks for materials as they are presented for coordination by the ministries and production departments and it also resolves, jointly with the ministries and production-departments, in accordance with the results of industrial operations, the question concerning the production of these machines, equipment, instruments and materials;

i) organizes logistical supply for subordinate enterprises (association), organizations and institutes, distributes among them the funds allocated to the ministry for materials, fuel, machines, mechanisms, equipment, spare parts, units and parts for them and other resources and it ensures the carrying out of the tasks concerned with economizing in the use of material resources and fuel;

j) develops plans for the development and disposition of enterprises (associations), organizations and institutes of the ministry and programs for the modernization and expansion of existing enterprises (associations);

k) ensures planning for deliveries of nuclear fuel for atomic stations, the safe storage of spent nuclear fuel, the shipping of it for processing and collection and burial of the radioactive waste products of atomic stations and strict observance of existing legislation concerned with protecting the environment;

l) develops and approves in the established manner, for the ministry's atomic stations, the consumption norms for electric power for internal needs and ensures the observance of these norms;

m) participates jointly with the USSR State Committee for Safety in the Atomic Power Industry and the USSR State Committee for the Use of Atomic Power in developing the principal requirements for safety at atomic stations;

n) implements, within the ministry's system, scientific-technical information in the area of atomic power and the preparation and publication, in the established manner, of information materials concerning new equipment and leading experience in the operation of atomic stations;

o) organizes the training and improvements in the skills of the operational personnel of atomic stations within the training network of the ministry's system;

p) organizes, in the established manner, trade and domestic services for workers attached to the ministry's enterprises (associations), organizations and institutes and develops the subsidiary farms of subordinate enterprises (associations), organizations and institutes;

q) issues awards, in the established manner, to leading workers, engineering-technical workers and employees of the ministry's enterprises (associations), organizations and institutes, in the form of chest badges and honorary certificates and employs other types of incentives.

7. The USSR Ministry of Nuclear Power Generation is headed by a minister who is assigned in conformity with the USSR Constitution and the USSR Supreme Soviet and during the period between sessions -- by the Presidium of the USSR Supreme Soviet, with subsequent presentation for approval by the USSR Supreme Soviet. The USSR Minister of Nuclear Power Generation is a member of the Bureau for the Fuel-Energy Complex of the USSR Council of Ministers.

The USSR Minister of Nuclear Power Generation has deputies that are assigned by the USSR Council of Ministers. The distribution of duties among the minister's deputies is carried out by the USSR Minister of Nuclear Power Generation.

8. The USSR Ministry of Nuclear Power Generation includes a board which consists of the minister (chairman of the board), the minister's deputies and also other leading workers of the ministry.

The members of the ministry's board are approved by the USSR Council of Ministers.

9. During its regularly scheduled meetings, the Board of the USSR Ministry of Nuclear Power Generation examines questions concerned with the development of atomic energy, the operation and safety of atomic stations, the carrying out of plans for the production of electrical and thermal energy and the placing in operation of production capabilities at atomic stations, apartment dwellings and other objects in the social sphere, it discusses questions

having to do with the practical management of the ministry's enterprises (associations), organizations and institutes, it carries out checks on the fulfillment of adopted decisions, the selection and use of personnel and plans for important orders and instructions and it listens to reports delivered by leaders of structural subunits of the ministry's central apparatus and also subordinate enterprises (associations), organizations and institutes.

As a rule, the board's decisions are implemented on the basis of orders handed down by the minister. In the event of disagreements between the board and the minister, the minister carries out his own decision and reports the disagreements to the USSR Council of Ministers. In turn, the members of the board can report their opinion to the USSR Council of Ministers.

10. The USSR Minister of Nuclear Power Generation bears personal responsibility for carrying out the tasks assigned to the ministry and for the carrying out of its functions and he establishes the degree of responsibility of the deputy ministers and leaders of structural subunits of the ministry's central staff for the management of individual areas of the ministry's activities and also for the work of the ministry's enterprises (associations), organizations and institutes.

11. Within the limits of its competence and based upon adherence to the existing laws of the USSR, other decisions handed down by the USSR Supreme Soviet and its Presidium, decrees and orders of the USSR Council of Ministers and decisions handed down by the Bureau of the Fuel-Energy Complex of the USSR Council of Ministers, the USSR Ministry of Nuclear Power Generation issues orders and instructions and provides guidance, all of which is mandatory for execution by the ministry's enterprises (associations), organizations and institutes and carries out checks on their execution.

When required, the USSR Ministry of Nuclear Power Generation issues joint orders and instructions with other USSR departments and ministries.

12. A scientific-technical council consisting of eminent scientists, highly skilled specialists, production innovators and also representatives of scientific-technical societies and other organizations is being created within the USSR Ministry of Nuclear Power Generation for the purpose of examining recommendations on the principal trends in scientific and engineering development in the sphere of atomic energy, defining a scientifically sound and unified technical policy for such development and preparing recommendations for the use and introduction into the USSR Ministry of Nuclear Power Generation of the latest achievements of domestic and foreign science and engineering and leading experience.

The structure of the scientific-technical council and its statute are approved by the USSR Ministry of Nuclear Power Generation.

13. The structure and number of workers assigned to the central staff of the USSR Ministry of Nuclear Power Generation are approved by the USSR Council of Ministers.

The official schedule of the ministry's central staff and also the statute governing its structural subunits are approved by the USSR Ministry of Nuclear Power Generation.

14. The USSR Ministry of Nuclear Power Generation has a seal which bears the state emblem of the USSR and its title.

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LEGAL CONSULTANT INTERVIEWED ON PERSONNEL CERTIFICATION

Moscow MATERIALNO-TEKHNICHESKOYE SNABZHENIYE in Russian No 5, May 87 pp 74-77

[Questions of journal readers answered by Ye. Levin, senior legal adviser of the Legal Department of USSR Gosnab: "Personnel Certification"; first three paragraphs are source identification]

[Text] In the national economy under the conditions of restructuring of the economic mechanism and acceleration of scientific and technical progress, certification is a most effective means of checking on and evaluating the work, political and personal qualities of managerial personnel and specialists and the ability to organize and to direct the work of the collective for the attainment of end results.

Certification contributes to the elimination of such defects as poor training and not always proper placement of managerial, engineering and technical personnel. It helps to correctly determine their respective political and personal qualities in the positions they occupy and to discover promising workers for inclusion in the reserve for promotion.

The editors asked Ye. Levin, the senior legal adviser of the Legal Department of USSR Gosnab, to answer questions of our readers on the manner of conducting certification at enterprises and organizations of the USSR Gosnab system.

[Question] What normative acts should one be guided by in conducting certification of personnel of organizations and enterprises of our system?

[Answer] Managers, scientific, engineering and technical personnel and specialists of scientific-research, planning, design and technological organizations are subject to certification on the basis of lists approved by USSR Gosnab.

In certification of personnel of scientific-research, planning, design and technological organizations of the state system, one should be guided by the decree of the CPSU Central Committee and the USSR Council of Ministers of 24 September 1968 "On Measures for Increasing the Work Efficiency of Scientific Organizations and Accelerating the Use of Achievements of Science and

Technology in the National Economy" and the Statute on the Manner of Conducting Certification of Managerial, Scientific, Engineering and Technical Personnel and Specialists of Scientific-Research Institutions, Design, Technological, Planning, Surveying and Other Scientific Organizations as approved by a decree of the USSR State Committee for Science and Technology, USSR Gosstnab and the USSR State Committee for Labor and Social Problems in agreement with the AUCCTU and the USSR Academy of Sciences of 17 February 1986 since the said Statute applies to organizations (institutions) regardless of their departmental subordination as well as Order No 85 of 30 January 1969 of USSR Gosstnab.

In the process of certifying managerial, engineering and technical personnel and specialists of enterprises and organizations of the USSR Gosstnab system, it is necessary to rely on the decree of the USSR Council of Ministers of 26 July 1973, the Statute on the Manner of Conducting Certification of Managerial, Engineering and Technical Personnel and Other Specialists of Enterprises and Organizations of Industry, Construction, Agriculture and Communications and the enacted decree of the USSR State Committee for Science and Technology and the USSR State Committee for Labor and Social Problems in agreement with the AUCCTU and the USSR Ministry of Justice of 5 October 1973.

[Question] In what order are the lists of positions of personnel subject to certification approved?

[Answer] In order of subordination to ministries and departments of the USSR and union republics, the USSR Academy of Sciences, academies of sciences of union republics and sectoral academies of sciences in agreement with appropriate trade-union central committees or councils.

The list of positions on whose basis personnel of scientific-research, planning, design and technological organizations of USSR Gosstnab are to be certified was approved by the Committee in agreement with the central committee of the trade union of workers of state institutions on 17 June 1969. It is determined by ministers and heads of organizations forming part of the system of a given ministry or department.

The list of positions of managerial, engineering and technical personnel and other specialists subject to certification at enterprises and organizations of the USSR Gosstnab system to which the operation of the Statute on the Socialist State Production Enterprise in agreement with the central committee of the trade union of personnel of state institutions applies was established by Order No 50 of 3 February 1983.

[Question] What categories of personnel are not subject to certification and are released from regular certification?

[Answer] In accordance with the Statute on the Manner of Conducting Certification of Personnel of Scientific-Research Institutions, Design, Technological, Planning, Surveying and Other Scientific Organizations, personnel, whose appointment to or dismissal from a position is carried out by organs in order of subordination, and junior service personnel are not subject

to certification. Scientific personnel occupying corresponding positions by competition, previously released from certification, now must undergo it on the same basis as everyone else.

In conformity with the Statute on the Manner of Certifying Managerial, Engineering and Technical Personnel and Other Specialists of Individual Sectors of the National Economy, managerial personnel of enterprises and organizations whose appointment to or dismissal from a position is done by higher organs are not subject to certification.

In both cases, those released from regular certification are persons who have worked in an occupied position for less than one year, young specialists and correspondingly specialists who have completed graduate study with separation from production in the period of obligatory assigned work following completion of an educational institution, pregnant women and women with children of up to one and a half years of age.

[Question] What is the frequency of certification and who sets the time periods and schedules for carrying it out?

[Answer] Certification of personnel of scientific-research, planning, design and technological organizations must be done not less often than once in 5 years. Moreover the duration of the period of certification must not exceed 1 year.

Certification of managerial, engineering and technical personnel and other specialists of enterprises and organizations is conducted once in 3-5 years. This frequency is determined by USSR Gosstat and is the same for all organizations and enterprises of the Committee's systems.

Time periods as well as schedules of certification are established by the head of the organization (enterprise) in agreement with the respective trade-union committee and are made known to persons being certified not less than one month before the start of certification.

[Question] Can a second certification be ordered?

[Answer] Yes, it can. A second (special) certification may be ordered for managers of scientific-research, planning, design and technological organizations in agreement with the trade-union committee not less than a year after regular certification in the case where a worker has not done well. Furthermore, an official, who has undergone a second certification, is not released from the next certification in the given organization (institution).

A second certification of managers, engineering and technical personnel and other specialists of enterprises and organizations may be ordered in the case where the certification commission adopts a decision on the appropriateness of the worker to the occupied position on the condition of improvement of his work and fulfillment of the commission's recommendations in regard to a second certification after a year.

[Question] How is a certification commission formed and who belongs to it?

[Answer] Such a commission, including its chairman and secretary, is appointed by an order of the head of the organization (institution) from among managerial personnel and highly qualified specialists (scientific workers). The commission includes representatives of party, trade-union and komsomol organizations. In necessary cases, the designation of several certification commissions is permitted.

[Question] What is the procedure of conducting certification?

[Answer] In accordance with existing statutes, a report (reference) for each worker subjected to certification is written up by his immediate supervisor jointly with party, trade-union and komsomol (if the person being certified is a komsomol member) organizations in which his production activity, qualifications, observance of state and production discipline, attained indicators in socialist competition and participation in public life are indicated.

A report (reference) together with the certification list of the preceding review of the case is turned over to the commission not later than 2 weeks before the conducted certification.

The worker must be given the opportunity of acquainting himself in advance with the report (reference) received concerning him. In certification of managers, engineering and technical personnel and other specialists of enterprises and organizations, such familiarization must be carried out not less than one week, and at scientific-research, planning, design and technological organizations not less than 2 weeks prior to the certification.

The certification commission examines the provided materials and hears the person being certified concerning his work activity. At the meeting, the manager of the unit in which the person being certified works must be present.

In case the person being certified fails to appear without a valid reason at the commission's meeting, the certification still may be carried out.

Evaluation of the employee's work is done on the basis of the concrete conditions and demands imposed on him by the occupied position, with account being taken of his personal contribution to fulfillment of state plans, product delivery plans and assignments for the introduction of new equipment and technology; observance of state, production and fund [fondovaya] discipline; qualifications, performance of his official duties and fulfillment of obligations relative to socialist competition and participation in public life. Evaluation of the work of specialists of scientific-research, planning, design and technological organizations is done while considering the effectiveness and quality of the performed work; the personal contribution to the development of science and technology (scientific works, discovery, inventions and efficiency proposals); the complexity and timeliness of performed research and development; work on realization of the results of

scientific research, plans and designs; knowledge in the respective field of the achievements of Soviet and foreign scientists, equipment and production and in necessary cases the ability to manage a collective.

Such an analysis of the work of the person being certified provides the possibility of objectively evaluating his activity and adopting a decision appropriate to the employee's work qualities.

[Question] What is the procedure on adopting decisions on the results of the certification?

[Answer] In certification of personnel of scientific-research, planning, design and technological organizations, the procedure of the certification commission's members voting (open or secret) is determined by ministries and departments in agreement with the appropriate central committees and councils of trade unions.

Certification commissions give only one of two evaluations of employees' work at the said organizations: "Is suited for the occupied position" or "Is not suited for the occupied position." If in a secret vote, a person voting fails to cross out in the ballot slip either one of the evaluations of the work of the person being certified work or crosses out both, then the ballot slip is considered effective and is counted as if given with the assessment "Is suited for the occupied position." In open voting, those who abstain are considered to have voted for the assessment "Is suited for the occupied position."

The results of secret voting are written up in a report of the counting commission, which is selected by an open vote from among those who are present at the meeting of the members of the certification commission. The results of the open vote are shown in the minutes of the certification commission's meeting.

The certification commission may give a recommendation on rewarding individual employees for the successes they have achieved at work and in necessary conditions on improving the work or on their repeat (special) certification as well as on promoting or demoting an employee in his position.

Unlike certification at scientific-research, planning, design and other organizations, in certification of managers, engineering and technical personnel and other specialists of enterprises and organizations of the USSR Gosnab system, certification commissions give an evaluation of the work of certified personnel by open voting. The commission's conclusions can be as follows: "Is suited for the occupied position," "Is suited for the occupied position on the condition of improvement of work, fulfillment of the commission's recommendations and second certification in a year. Moreover, the certification commission may give recommendations on promoting individual employees at work or other rewards for successes achieved by them, on transfer to other work, on dismissal from occupied position and in necessary cases on improving the work of certified personnel, upgrading their work qualifications and other recommendations.

In both instances, not less than two-thirds of the certification commission's members must participate in voting on the evaluation of the work of the person being certified. The results of the voting are determined by a majority of the votes and are recorded in the minutes of the commission's meeting. In case of votes being tied in assessment of the work of the person being certified, the employee is considered suited for the occupied position.

The evaluation of the work of an employee who has been certified and the recommendations of the certification commission are entered in the certification, list which is signed by the chairman and members of the commission participating in the voting. The certification results are communicated to the employee immediately after the voting and the materials of the certification are turned over to the head of the enterprise or organization for adoption of a decision.

[Question] What decision can the head of the organization (enterprise) make on the results of the certification?

[Answer] The head of an organization (enterprise) adopts measures for improving placement of personnel, works out with the participation of public organizations measures for further improving the system of upgrading qualifications of personnel and making wide-scale use of scientific methods of labor management and organization, organizes control over their implementation and rewards individual workers for successes achieved in their work, but in pertinent cases may adopt a decision in a period not more than 2 months from the day of certification on transferring an employee considered in the results of certification not suitable for an occupied position. In case of the impossibility of transferring the employee with his consent to another position, the manager may within that period abrogate according to prescribed procedure the work contract with him in conformity with existing legislation.

After the expiration of the 2-month period, transfer of the employee or abrogation of the work contract with him on the basis of the results of the certification is not permitted.

Moreover, in the Statute on the Manner of Conducting Certification of Personnel of Scientific-Research, Design, Technological, Planning, Survey and Other Scientific Organizations, it is provided that the period of illness of an employee as well as of leave are not included in the indicated 2-month period.

[Question] What is the procedure for abrogating a work contract with personnel considered unsuitable for an occupied position according to the results of the certification?

[Answer] The abrogation of a work contract with managerial, engineering and technical personnel and specialists of the USSR Gosstab system, who according to the results of the certification are not suited for an occupied position is done in accordance with paragraph 2 of Article 17 of the Fundamentals of Labor Legislation (paragraph 2 of Article 33 of the RSFSR Code of Labor Laws) and only on the condition that it is impossible to transfer the employee with his consent to other work.

On dismissal from work on the basis of certification results of managerial, scientific, engineering and technical personnel and specialists of scientific-research, planning, design and technological organizations, the dismissal is formulated in accordance with Article 106 of the Fundamentals of Labor Legislation in which it is specified that USSR Legislation within the limits determined by it and the legislation of union republics and additional grounds may be established by legislation of union republics for terminating the work contract of certain categories of workers and employees under certain conditions and an entry is made in the labor book: "Dismissed from work on the basis of certification results" with a reference to paragraph 22 of the decree of the CPSU Central Committee and the USSR Council of Ministers of 24 September 1968.

[Question] Is a trial period established in hiring for work specialists subject to certification?

[Answer] In conformity with the Ukase of the Presidium of the USSR Supreme Soviet of 27 September 1968, it is provided that in the event of hiring for work of persons subject to certification at scientific-research, planning, planning-design, technological and other scientific organizations, a trial may be set for a period of up to 3 months and in individual cases, with the agreement of the trade-union committee, of up to 6 months.

In concluding a work contract with personnel of enterprises and organizations of the USSR Gosstabs system subject to certification, a trial may be determined on general grounds in accordance with Article 11 of the Fundamentals of Labor Legislation (pages 21-33 of the RSFSR Code of Laws on Labor).

[Question] What is the procedure of examining labor disputes of personnel considered unsuited for an occupied position on the basis of the results of certification?

[Answer] Disputes of personnel of scientific-research, planning, design and technological organizations on dismissal or a change in the formulation of the reasons for dismissal, where this is connected with their acknowledgment as a result of the certification of them being unsuited for an occupied position, are resolved by higher organs in order of subordination.

Labor disputes on questions of dismissal, change in the formulation of the reasons for dismissal and transfer to other work on the basis of the results of the certification are examined in order of subordination (paragraph "a" of Article 41 of the Statute on the Manner of Examining Labor Disputes). In all other cases, labor disputes on questions of dismissal of personnel not occupying a position specified in List No 1 of Appendix No 1 of the Statute as well as disputes on changing formulation of the reasons for dismissal based on the results of certification are examined in a people's court (paragraph "a" of Article 38 of the Statute). Labor disputes of these personnel on

questions of transfer to other work based on the results of certification are examined by a commission on labor disputes and then generally (paragraph "b" of Article 10 of the Statute).

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GOSKOMTRUD ANSWERS QUERIES ON WAGE RATES, JOB CERTIFICATION

Moscow SOTSIALISTICHESKIY TRUD in Russian No 5, May 87 pp 97-100

[People's questions and answers by the Department of Wages of the USSR State Committee for Labor and Social Problems: "The Department of Wages of the USSR State Committee for Labor and Social Problems Explains"; first two paragraphs are source introduction]

[Text] Owing to the introduction of the new wage conditions in production sectors of the country's national economy, the USSR State Committee of Labor and Social Problems, the journal SOTSIALISTICHESKIY TRUD and other organizations have been receiving many inquiries and letters. The editors have asked the Department of Wages of the USSR State Committee for Labor and Social Problems to answer them.

Let us remind readers that answers and the necessary explanations were provided to certain questions of interest to them in issue No 1 of our journal for 1987, while Recommendations for Improving the Organization of Wages and the Introduction of New Wage Rates and Salaries for Personnel of Production Sectors of the National Economy were published in issue No 2.

[Question] Can the new wage conditions be applied to personnel of production subdivisions forming part of enterprises belonging to nonproduction sectors?

[Answer] No. The new wage conditions are being introduced solely for personnel of associations, enterprises and organizations of production sectors of the national economy operating on an independent balance independently of their departmental subordination.

[Question] Is it possible to establish pay increases for personnel with an academic degree and a corresponding raised salary or pay increase to a salary for an academic degree?

[Answer] The raised salaries (or salaries with pay increases) of specialists with an academic degree actually form new salaries reflecting the high qualifications the personnel. For this reason pay increases may be introduced for the said workers for major achievements at work and for the performance of especially important work. At the same time, the total amount of pay increases may not exceed 50 percent of the salary.

[Question] What should one be guided by in carrying out certification of managers and specialists?

[Answer] Certification is conducted in the period of preparatory work in conformity with the Statute on the Manner of Enrolling Workers, Engineering and Technical Personnel and Other Specialists of Enterprises and Organizations of Industry, Construction, Agriculture, Transport and Communications of 22 October 1979 and supplements to it of 14 November 1986 adopted by the USSR State Committee for Labor and Social Problems in agreement with the AUCCTU and the USSR Ministry of Justice as well as sectoral lists established with reference to the special features of national-economic sectors on the basis of the Standard List of Managerial, Engineering and Technical Personnel and Other Specialists.

Certification is carried out for the purpose of most efficient utilization of specialists, raising the efficiency of their work and responsibility for the entrusted task, increased material and moral interest of personnel in accelerating scientific and technical progress and securing a closer connection of wages to the results of their work. It must contribute to further improvement in the selection and training of cadres and upgrading of their work qualifications and their ideological and political level.

For each worker subject to certification, his immediate supervisor together with party, trade-union and komsomol (if the person to be certified is a komsomol member) organizations makes up a report (description) which comments on his production activity, qualifications and participation in public life. The work of the person certified is evaluated while taking into account his performance of duties in accordance with job instructions developed in accordance with the qualifications description provided by the Qualifications Handbook of Employees' Positions.

On the basis of these data taking into account the discussion, the certification commission in an open vote provides an assessment of the employee's work and corresponding recommendations for promotion of individual personnel at work or other rewards for the successes they achieved or concerning transfer to other work or release from occupied position and in necessary cases recommendations for raising their work qualifications as well as recommendations for conferring a qualifications category or class rank, raising salaries, establishing pay increases for their high attainment at work and where necessary reducing salaries, changing or abolishing pay increases and lowering a qualifications category or class rank. The certification materials are turned over to the head of the enterprise or organization for reaching a decision. The certification list and report (description) on the worker who was certified is kept in his personal file.

Young specialists are not subject to certification during the period of their obligatory work on an assignment following completion of educational institutions. This also applies to pregnant women as well as women with children of up to 1.5 years of age. They are appointed to positions on the basis of their qualifications.

[Question] Are commissions authorized to certify the chief engineer of an enterprise, the chief economist, the chief accountant or other equivalent personnel and to determine their salary?

[Answer] Personnel whose appointment to positions or release from a position is carried out by superior organs (chief engineers, economists, accountants and other executives) are not subject to certification.

A list of positions of supervisory personnel not subject to certification as well as of positions of personnel subject to certification is determined by ministers or heads of USSR departments for enterprises and organizations included within the organization of the given ministry on agreement with the appropriate central committee or trade-union council.

Questions of setting or changing salaries of personnel not subject to certification are resolved directly by heads of associations, enterprises and organizations, taking into account the results of their labor.

[Question] Is it possible to set monthly salaries for worker inspectors in place of wage rates?

[Answer] Yes, it is possible. They are set by the deputy head of an association, enterprise or organization on quality in agreement with the trade-union committee within the limits of the wage fund set aside for personnel of the technical control service.

[Question] How is work paid of persons formerly coming under the category of "junior service personnel" (cleaners, cloakroom attendants and the like)?

[Answer] These positions now come under workers paid by monthly salaries. The salaries of these workers employed in production sectors of the national economy (with the exception of railroad transport and subway systems) were established by Resolution No 353/22-9 of 23 September 1986 of the USSR State Committee for Labor and Social Problems and the AUCCTU. Specifically, salaries in the amount of 80 rubles a month are designated for occupations of cloakroom attendants and cleaners of office areas and 90, 100 rubles for occupations of cleaners of production areas.

A similar decision was also implemented for time-rate workers of railroad transport and subway systems.

[Question] A brigade works on the basis of comprehensive norms. How in this case is extra pay calculated for a temporarily absent worker?

[Answer] In work with comprehensive output (time) norms, the labor of brigade workers is paid according to full comprehensive rates without them being reduced in the event of temporary absence of individual workers. Therefore, no grounds exist for extra pay for performing the work of temporarily absent workers in these brigades.

[Question] Under the new salary arrangements, provision is made for the position of a general director of an association or director of an enterprise. In what manner is the work of directors of production units belonging to an association paid?

[Answer] The manner of payment of the work of directors of production units forming part of associations remains changed. Just as under the existing conditions, with the introduction of the new salaries, directors of production units will be paid by salaries provided by the arrangement for the position of "director of an enterprise" of the appropriate manager pay group. For example, a machine-building production association includes two production units coming under manager pay groups I and II. In such a case, the pay for directors of production units is determined in accordance with the salary arrangement for machine-building associations and enterprises in the amount of 400 and 370 rubles a month.

[Question] Enterprise designers and technologists were transferred to pay conditions in accordance with Decree No 462 of 22 May 1985 of the CPSU Central Committee, the USSR Council of Ministers and the AUCCTU. With the introduction of the new pay conditions, should these categories of personnel undergo certification?

[Answer] The decree provides with the introduction of the new pay conditions for special obligatory certification of specialists. Work under the conditions designated by the decree of 22 May 1985 makes it possible to more accurately and concretely evaluate the possibilities of this or that specialist. This will help in carrying out special certification to find an optimal variant of selecting personnel in regard to pay on whom raising production efficiency, improving work and production quality as well as acceleration of scientific and technical progress directly depend.

If in the process of the work the need does not arise for changing the pay or qualifications category assigned earlier to a worker, then there would be no need to carry out a second classification in this case.

[Question] Can the certification commission enact a decision on transferring to the position of technician persons working as designers and possessing higher education?

[Answer] The new conditions provide for five qualifications categories for engineer designers. This creates broad prerequisites for an optimal solution concerning the pay level of this or that instructor depending on the results of his work. If the actual content and complexity of the work performed by him does not correspond to the requirements of the Qualifications Handbook of Employees' Positions but corresponds only to the content and complexity of work performed on the level of the position of technician or the real qualifications of the worker do not correspond to those required, then the certification commission may recommend to the enterprise's management the release of that worker from the position of designer and his transfer to the position of technician.

[Question] In Appendix No 2 to the decree, pay conditions for personnel of machine-building and metalworking enterprises are specified. How should these enterprises deal with this or that subsector?

[Answer] Machine-building and metalworking enterprises significantly differ in regard to the complexity and national-economic value of the products they put out. Consequently, the new decree provides wage rates and salaries for personnel of machine-building associations and enterprises and wage rates and salaries for personnel of enterprises of the metal-structure and product industry.

Including enterprises under machine-building or under the metal-structure and product industry is done in accordance with the All-Union Classifier of Sectors of the National Economy. In the fabrication of complex metal structures and products, salaries designated for personnel of machine-building enterprises may be used for the managers, specialists and employees of such enterprises.

The list of such associations and enterprises is determined for USSR ministries and departments and councils of ministers of union republics in agreement with the USSR State Committee for Labor and Social Problems and the AUCCTU.

[Question] How will comprehensive personal-service enterprises, which together with industrial types of services also have nonindustrial (barbershops, baths, renting and so on), be transferred to the new wage conditions?

[Answer] The new pay conditions for personnel of the administrative apparatus of multisectoral personal-service enterprises are being introduced in the case where not less than 60 percent of the volume of work performed by them belongs to the production sphere. At such enterprises, the new pay conditions are also introduced for personnel of those units which provide production types of services for the population and come under production sectors in accordance with the All-Union Classifier of Sectors of the National Economy.

The wage conditions of personnel of units performing nonindustrial types of services (barbershops, baths, renting and paving bureaus and others) remain unchanged for now until the introduction of the new wage conditions in the nonproduction sphere.

[Question] Will the procedure of forming the foreman fund in industry be retained under the new wage conditions?

[Answer] The decree on introduction of the new wage conditions does not introduce any changes in the procedure of creating a foreman fund or the possibility of increasing it to 5 percent of the wage fund of the section headed by him.

[Question] How should the pay provided in the arrangements be applied to managers, specialists and employees?

[Answer] These personnel belong to one or another category depending on their role and place in the production process.

Managers are that category of personnel which organize the work of labor collectives and supervise it. The salaries of these personnel depend on the importance of the facilities managed by them and are determined on the basis of pay groups of associations, enterprises (organizations), shops and sectors and other units.

Specialists are those personnel the holding of whose positions in accordance with qualifications requirements dictates the possession of higher or secondary specialized education. They include designers, technologists, engineers for labor organization and norm setting, economists, accountants, legal advisers, sociologists, psychologists and others whose work helps to serve production effectively.

Technical performers are typists, secretary typists, stenographers, timekeepers and others. They come under the category of employees.

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OFFICIALS ANSWER ARTICLE ON KUYBYSHEV AIR CRASH

PM221153 Moscow SOVETSKAYA ROSSIYA in Russian 19 Jul 87 First Edition p 6

[Replies to SOVETSKAYA ROSSIYA article from I. Babichev, commander of the Grozny Air Combined Aviation Detachment; V. Pantyukhin, party committee secretary; L. Seroshtanov, trade union committee chairman; and A. Mkrtchyan, secretary of the Komsomol Committee; and from M. Vasin, chief of the North Caucasus Civil Aviation Administration Political section, under the "Reply to Criticism" rubric: "'Blindness'"]

[Text] On 5 June 1987 SOVETSKAYA ROSSIYA published an article entitled "Blindness" describing the tragic events which occurred 20 October 1986 at Kuybyshev's Kurumoch airport during the landing of a Tu-134 from the Grozny Combined Aviation Detachment under the control of the now former aircraft commander A. Klyuyev.

The article "Blindness" was studied in the labor collectives of all subdivisions of the enterprise. The result of this discussion was a general open party meeting of the aviation detachment 29 June 1987.

The collective was profoundly aware of the full gravity of the crime committed and its degree of responsibility for the immeasurable bereavement to the relations of those who died in the air disaster and offers sincere condolences to the relations and friends of those whose lives were prematurely cut short by a man who grew in our enterprise.

The main reason for the tragedy which was played out was the fact that over the course of a number of years an unhealthy atmosphere of covert rivalry had formed in the collective among some of the flying personnel, verging on gross violations of flight laws. In addition many disciplinary breaches were allowed. Preventive work to eradicate existing shortcomings was performed only feebly. Educational work was based on the inculcation of good professional skills and questions of moral education were relegated to the background.

All this led to the point where some pilots, including A. Klyuyev, were beyond criticism and control, a halo of infallibility was created around them, and no official noticed A. Klyuyev's potential propensity to violations.

Now that the irreparable has happened, people are denouncing the actions of former aircraft commander A. Klyuyev, copilot G. Zhirnov, who died, and former flight mechanic K. Khamzatov, calling these actions criminal and A. Klyuyev himself a criminal. This occurrence has been a heavy burden on the aviation detachment's entire collective.

The gravity of the crime committed by A. Klyuyev is further aggravated by the fact that even in court, confronted with the relations of the dead, he did not find in himself the courage to admit his guilt.

A. Klyuyev was convicted by the people's court. A whole series of officials from the aviation detachment incurred severe party and disciplinary sanctions. The following have been dismissed from their posts: enterprise commander V. G. Semenyak and A. S. Fedorov, his deputy for political affairs. They and party committee secretary V. A. Pantyukhin have been strictly reprimanded by the Checheno-Ingush CPSU Obkom bureau and their report cards have been endorsed.

In addition strict party and disciplinary measures have been taken against a whole series of leaders of the flying detachment.

With a view to the unconditional ensurance of flight safety, the command, in conjunction with the enterprise's party committee and trade union committee, is now performing the following work:

- a plan has been elaborated and is being implemented for measures by the party committee to mobilize aviation workers to ensure flight safety, as has a long-term plan of party-political work to ensure flight safety at the Grozny Aviation Detachment;

- a new system is being introduced for selecting candidates for the post of aircraft commander. This system is being organized in such a way that only a man with sufficient professional skills, a developed sense of responsibility, and a high standard of moral and political maturity, a man who thinks as a leader, can become an aircraft commander;

- on-board flight information monitoring systems have begun to be used more carefully in analyzing flights;

- with a view to stepping up party influence on ensuring flight safety the structure of the flying detachment party organization has been partially altered: shop party organizations have been created in the air squadrons.

Through your newspaper the Grozny aviation detachment general party meeting assures SOVETSKAYA ROSSIYA readers that the tragedy at Kuybyshev airport has been a bitter lesson to every aviation worker. We will do everything to ensure that this never happens again, that when an aircraft passenger boards one of our aircraft he can be confident of a high degree of reliability and flight safety.

The reply was adopted at the Grozny Combined Aviation Detachment open party meeting 29 June 1987.

I. Babichev, commander of the Grozny Combined Aviation Detachment; V. Pantyukhin, secretary of the party committee; L. Seroshtanov, chairman of the trade union committee; A. Mkrtchyan, secretary of the Komsomol committee.

The article "Blindness" published in your newspaper's 5 June 1987 issue has been studied with the personnel at hearings and meetings in all enterprises of the administration and at an open party meeting of the aviation enterprise at the Grozny Combined Aviation Detachment.

It is not only Klyuyev, former aircraft commander, but also the commanders and leaders of the administration and enterprise and the collective of the Grozny Combined Aviation Detachment who bear responsibility for the consequences of this accident, with the death of totally innocent people.

By a decree of the minister of civil aviation Comrade V. G. Semenyak, commander of the Grozny Combined Aviation Detachment, Comrade A. S. Fedorov, his deputy for political affairs, and Comrade B. N. Azarov, chief of the North Caucasus administration transport aviation flight section, have been dismissed from their posts for the poor standard of organization of flight work and the unsatisfactory state of discipline.

The Checheno-Ingush CPSU Obkom bureau and a party meeting of the Grozny aviation enterprise and the administration apparatus have levelled party sanctions against a number of communist leaders.

The leadership of the Grozny aviation enterprise has now been strengthened and demands have been increased on the selection of candidates for the posts of aircraft commanders and on the formation of crews.

Questions of ensuring flight safety and strengthening discipline are regularly examined at sessions of the administration council, at party and workers meetings, and at party committee and party bureau sessions. These questions are under the constant control of local party organs. Commanders and leaders and party and public organizations are taking every measure to unconditionally ensure passenger flight safety.

M. Vasin, chief of the North Caucasus Civil Aviation administration political section.

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